

**ALL CELL PHONES AND ELECTRONIC DEVICES MUST BE
TURNED OFF IN THE COUNCIL CHAMBERS**

**A G E N D A
REEDLEY CITY COUNCIL MEETING**

7:00 P.M.

TUESDAY, NOVEMBER 13, 2012

**Meeting Held in the Council Chambers
845 "G" Street, Reedley, California**

The Council Chambers are accessible to the physically disabled. Requests for additional accommodations for the disabled, including auxiliary aids or services, should be made one week prior to the meeting by contacting the City Clerk at 637-4200 ext. 212.

Any document that is a public record and provided to a majority of the City Council regarding an open session item on the agenda will be made available for public inspection at City Hall, in the City Clerk's office, during normal business hours. In addition, such documents may be posted on the City's website.

City of Reedley's Internet Address is www.reedley.ca.gov

Mary Fast, Mayor

Anita Betancourt, Mayor Pro Tem
Pete Chavez, Council Member

Bob Beck, Council Member
Ray Soleno, Council Member

INVOCATION – Erika Valenzuela, Chaplain for Selma-Reedley Adventist Medical Center

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENTATION

1. **INTRODUCTION OF 2012-2013 PARKS AND RECREATION COMMISSION YOUTH REPRESENTATIVES** – Community Services

PUBLIC COMMENT – *Provides an opportunity for members of the public to address the City Council on items of interest to the public within the Council's jurisdiction and which are not already on the agenda this evening. It is the policy of the Council not to answer questions impromptu. Concerns or complaints will be referred to the City Manager's office. Speakers should limit their comments to not more than three (3) minutes. No more than ten (10) minutes per issue will be allowed. For items which are on the agenda this evening, members of the public will be provided an opportunity to address the Council as each item is brought up for discussion.*

NOTICE TO PUBLIC

***CONSENT AGENDA** items are considered routine in nature and voted upon as one item. Under a **CONSENT AGENDA** category, a recommended course of action for each item is made. Any Council Member may remove any item from the **CONSENT AGENDA** in order to discuss and/or change the recommended Course of action, and the Council can approve the remainder of the **CONSENT AGENDA**. A Council Member's vote in favor of the **CONSENT AGENDA** is considered and recorded as a separate affirmative vote in favor of each action listed. Motions in favor of the **CONSENT AGENDA** are deemed to include a motion to waive the full reading of any ordinance on the **CONSENT AGENDA**. For **adoption of ordinances**, only those that have received a unanimous vote upon introduction are considered **CONSENT** items.*

CONSENT AGENDA (Items 2 - 8)

Motion _____ 2nd _____

2. MINUTES OF REGULAR CITY COUNCIL MEETING OF SEPTEMBER 27, 2011 AND OCTOBER 23, 2012.
Staff Recommendation: Approve
3. APPROPRIATE FUNDS FROM THE PUBLIC SAFETY SALES TAX REVENUE FUND ACCOUNT 003-4307 IN THE AMOUNT OF \$20,000 FOR THE BOYS AND GIRLS CLUB. (Police)
Staff Recommendation: Approve
4. AUTHORIZE THE CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING ON BEHALF OF THE CITY OF REEDLEY FOR THE SHARED SPACE AND RESOURCES PROVIDED BY THE WEST COAST MENNONITE CENTRAL COMMITTEE FOR THE 2012-2013 FISCAL YEAR. – (Police)
Staff Recommendation: Approve
5. APPROVE FIRST AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT– (Administration)
Staff Recommendation: Approve
6. ADOPT RESOLUTION NO. 2012-069, ACCEPTING THE CONSTRUCTION IMPROVEMENTS FOR THE REEDLEY CITY STREETS IMPROVEMENTS (PHASE III), CDBG PROJECT NO. 11571 AND AUTHORIZING THE CITY ENGINEER TO FILE A NOTICE OF COMPLETION WITH THE COUNTY OF FRESNO RECORDER'S OFFICE. – (Engineering)
Staff Recommendation: Approve

7. ADOPT RESOLUTION NO. 2012-088 AWARDING A CONSTRUCTION CONTRACT TO HOBBS CONSTRUCTION INC. FOR MANNING AVENUE TRAIL CROSSING, FEDERAL-AID PROJECT NO HSIPL-5216(038). - (Engineering)

Staff Recommendation: Approve

8. ADOPT RESOLUTION NO. 2012-089:

(A) AUTHORIZING THE CITY MANAGER TO EXECUTE THE ADMINISTERING AGENCY-STATE PROGRAM SUPPLEMENT AGREEMENT WITH THE STATE OF CALIFORNIA FOR FEDERAL-AID PROJECT NO. CML-5216(043), CNG FUELING STATION AT THE CENTRAL VALLEY TRANSPORTATION CENTER.

(B) AUTHORIZING THE CITY MANAGER TO GRANT RIGHTS OF WAYS AND EASEMENTS FROM CITY-OWNED PROPERTIES FOR THE BENEFIT OF AND IN CONNECTION WITH THE CNG FUELING STATION PROJECT. - (Engineering)

Staff Recommendation: Approve

ORDINANCES - *With respect to the approval of ordinances, the reading of the title thereto shall be deemed a motion to waive a reading of the complete ordinance and unless there is a request by a Council Member that the ordinance be read in full, further reading of the ordinance or shall be deemed waived by unanimous consent of the Council.*

PUBLIC HEARING

9. INTRODUCE ORDINANCE NO 2012-005 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REEDLEY ADDING SECTION 7-7-11 THROUGH SECTION 7-7-18 TO CHAPTER 7, OF TITLE 7, OF THE REEDLEY MUNICIPAL CODE PERTAINING TO CABLE TELEVISION FRANCHISES.- Report, discussion and/or other Council action to approve, modify, and/or take other action as appropriate. (Administration)

Staff Recommendation: Approve

ADMINISTRATIVE BUSINESS

10. APPROVE A TEMPORARY WATER SUPPLY AGREEMENT BETWEEN THE CITY OF REEDLEY AND THE CITY OF ORANGE COVE. - Report, discussion and/or other Council action to approve, modify, and/or take other action as appropriate. (Administration)

Staff Recommendation: Approve

11. APPROVAL OF A SERVICES AGREEMENT WITH PAYLOCITY CORPORATION FOR A PAYROLL, SCHEDULING, AND TIME-KEEPING AUTOMATED SYSTEM AND RELATED SERVICES. - Report, discussion and/or other Council action to approve, modify, and/or take other action as appropriate. (Administration)

Staff Recommendation: Approve

RECEIVE INFORMATION & REPORTS

12. RECEIVE, REVIEW, AND FILE THE 2011-12 DEVELOPER IMPACT FEE REPORT
13. RECEIVE, REVIEW, AND FILE THE QUARTERLY INVESTMENT REPORT FOR 1ST QUARTER FISCAL YEAR 2012-13.

COUNCIL REPORTS

14. REQUESTS BY COUNCIL MEMBERS FOR FUTURE AGENDA ITEMS AND/OR REPORTS OF COUNCIL MEMBER ACTIVITIES

STAFF REPORTS

15. UPDATES AND/OR REPORTS BY CITY MANAGER AND/OR STAFF MEMBERS

CLOSED SESSION

16. GOVERNMENT CODE SECTION 54956.9(C)
Conference with Legal Counsel – Anticipated Litigation
Deciding whether to initiate litigation: One case

ADJOURNMENT

Dates to Remember:

November 27, 2012 – Regular Council Meeting – 7:00 p.m. Council Chambers (If needed)
December 11, 2012 – Installation of new Council Members at the Reg. Council Meeting - 7:00 p.m.
December 25, 2012 – Regular Council Meeting – Meeting Canceled (Go Dark)

I hereby certify under penalty of perjury, under the laws of the State of California, that the foregoing agenda was posted in accordance with the applicable legal requirements. Dated this 8th day of November, 2012.


Sylvia B. Plata, City Clerk

REEDLEY CITY COUNCIL MEETING – September 27, 2011

The regular meeting of the Reedley City Council was called to order by Mayor Fast at 6:06 p.m. on Tuesday, September 27, 2011, in the City Hall Council Chambers, 845 “G” Street, Reedley, California.

ROLL CALL

Council Members

Present: Anita Betancourt, Ray Soleno, Pete Chavez, Mary Fast.

Absent: None.

Present: Nicole Zieba, City Manager; Scott Cross, City Attorney; Lori Oken, Finance Director; Interim Police Chief, Lt. Joe Garza; Jerry Isaak, Fire Chief; Russ Robertson, Public Works Manager; David Brletic, City Planner; Noe Martinez, City Engineer; Joel Glick, Community Services Director and Kay Pierce, City Clerk.

Others

Present: Steve Heinrichs, John Ornellas, Valerie Pieroni, Steve Rapada, Brenda Rapada, Samuel Gipson, James Loomis, Neal Harris, Dawn Barcellos, Kathy Pinon, Roseann Herrera, Robert Beck, Fred Hall, Jodie Reyna and others.

CLOSED SESSION1. GOVERNMENT CODE SECTION 54957.6

CONFERENCE WITH LABOR NEGOTIATORS

AGENCY NEGOTIATORS: City Manager Zieba and Finance Director Oken
 EMPLOYEE ORGANIZATIONS: Unrepresented Employees: Management, Confidential, Professional/Technical Employees

2. GOVERNMENT CODE SECTION 54956.9(c)

CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION – 883 Springfield Avenue, Reedley

DECIDING WHETHER TO INITIATE LITIGATION – ONE CASE

Mayor Fast adjourned the regular Council meeting and the Council went into CLOSED SESSION at 6:06 p.m.

Mayor Fast reconvened into OPEN SESSION at 7:05 p.m. City Attorney Cross announced that with regards to the CLOSED SESSION Agenda Item No. 1, Council directed staff to continue negotiations and no other action was taken in CLOSED SESSION which was required to be announced. With regards to the CLOSED SESSION Agenda Item No. 2, Council directed staff to continue negotiations and no other action was taken in CLOSED SESSION which was required to be announced. Mayor Fast recused herself from Item No. 2 due to a conflict of interest.

INVOCATION

The invocation was given by Pastor Neal Harris of the First United Methodist Church.

REEDLEY CITY COUNCIL MEETING – September 27, 2011**PLEDGE OF ALLEGIANCE**

The pledge of allegiance was led by Council Member Betancourt.

PRESENTATIONS

Mayor Fast presented former Council Member Steve Rapada with a plaque from the Council.

3. PROCLAMATION FOR “PIRATE BAND DAY” – SAM GIPSON OF REEDLEY HIGH

Mayor Fast read the proclamation and presented it to Sam Gipson of Reedley High School.

4. PROCLAMATION FOR FIRE PREVENTION WEEK – CHIEF ISAAK

Mayor Fast read the proclamation.

Chief Isaak

5. REEDLEY NIGHT OUT – REEDLEY POLICE DEPARTMENT

PUBLIC COMMENT

Valerie Pieroni

CONSENT AGENDA

Council Member Soleno removed Agenda Item No. 7 for discussion

Council Member Chavez moved, Council Member Betancourt seconded to accept, approve and adopt all remaining items listed under the **CONSENT AGENDA** as follows:

6. MINUTES OF THE REGULAR CITY COUNCIL MEETING OF SEPTEMBER 13, 2011 – Council received and filed.
7. APPROVAL OF FIRST AMENDMENT TO OPERATION AGREEMENT BETWEEN THE CITY OF REEDLEY POLICE DEPARTMENT AND THE CITY OF ORANGE COVE POLICE DEPARTMENT FOR TRAINING, TEMPORARY HOUSING AND TEMPORARY COMMUNICATIONS SERVICES – *Removed for discussion.*
8. RESOLUTION NO. 2011-069 – A RESOLUTION APPROVING A REMITTANCE AGREEMENT PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34194.2 – Council approved.

Motion unanimously **carried**.

NEW BUSINESS

9. RESOLUTION NO. 2011-068 – A RESOLUTION ADOPTING THE FINAL BUDGET OF THE CITY OF REEDLEY FOR THE FISCAL YEAR JULY 1, 2011 TO JUNE 30, 2012, PROVIDING FOR THE APPROPRIATION AND EXPENDITURE OF ALL SUMS SET FORTH IN SAID FINAL BUDGET, PROVIDING FOR THE TRANSFER AND ADDITIONAL APPROPRIATIONS AND REPEALING ALL RESOLUTIONS AND PARTS OF RESOLUTIONS IN CONFLICT HERewith
 - A. RESOLUTION NO. 2011-070 – A RESOLUTION ADOPTING A MASTER SALARY TABLE FOR ALL EMPLOYEES OF THE CITY OF REEDLEY –
 - B. RESOLUTION NO. 2011-071 – A RESOLUTION ESTABLISHING A REVISED

REEDLEY CITY COUNCIL MEETING – September 27, 2011**SALARY AND BENEFIT SCHEDULE FOR THE MANAGEMENT, CONFIDENTIAL, AND PROFESSIONAL/TECHNICAL EMPLOYEES AKA UNREPRESENTED GROUP**

- C. RESOLUTION NO. 2011-072 – A RESOLUTION FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT –

WORKSHOP**10. SEWER RATE WORKSHOP**

Shawn Koorn of HDR gave a presentation to Council on the Sewer Rate Study.

11. COUNCIL REPORTS

Council Member Betancourt:

- Thanked Public Works Manager Robertson for the expeditious installation of the block wall on Carpenter Avenue.

Council Member Soleno:

- Referred to 11th and Reed Avenue going west on 11th Street, the stop sign on the right side, asked if the stop sign could be moved further on the island so that street just has a yield sign to enter onto Reed Avenue.

Mayor Fast:

- Attended the Wolters Company open house. Thanked City Planner Brletic and his department for assisting Mr. Warkentin on this endeavor.
- Attended the Boys and Girls Club dinner in Fresno where an award was given for student of the year. The recipient also received a scholarship and is now attending Reedley College. Kaiser Permanente has contributed funding to Reedley's Boys and Girls Club.
- Attended a Reedley Tea Party evening and spoke briefly at this event.

11. STAFF REPORTS

City Manager Zieba:

- Advised recruitment is underway for the Council seat in District 3, applications have been received with more expected this week. City Manager is working on getting a Citizen's Committee together to interview all candidates the last week in September. Candidates will then be brought to Council in early October.
- Received the notice to proceed on the Airport Apron Project.

City Engineer Martinez:

- Advised contractor for the sports parks starting bringing equipment out to the park on 9/12/11. Today the office trailers for both the contractor and construction manager arrived on site. Major construction activity should begin on 9/14/11 and the subcontractor will close the site with temporary fencing and clearing the site for all construction operations. They will be installing the storm water prevention improvements to comply with regulations. Staff will be planning a ground breaking ceremony in early October.
- Advised of a workshop hosted by Fresno COG on October 19, 2011, called the Fresno COG 2011 Transportation Forum. Reedley's roundabout project will be showcased at this forum. Reedley has been selected to give a testimonial on the Measure C funding explaining how this funding is being used in Reedley and how it is helping our community. City Engineer Martinez was invited to speak on behalf of the City of Reedley.
- Advised of a meeting scheduled for September 19 at 7:00 p.m. at City Hall which is a joint effort between the City and Fresno County and are meeting with the property owners at Columbia and Parlier to gauge their interest in dedicating some of their property which is needed for right-of-way purposes in order to improve this area.

REEDLEY CITY COUNCIL MEETING – September 27, 2011

Public Works Manager Robertson:

- Advised at the next Council meeting on 9/27/11, staff will be presenting a Sewer Rate Workshop where the discussion will include sewer rates and sewer rate structure. Staff will also be presenting Council with several sewer rate options and recommendation to move forward with necessary sewer rate increases.

CLOSED SESSION**11.A. GOVERNMENT CODE §54956.9(c)**

Conference with legal counsel – Potential Litigation – Deciding whether to initiate litigation – One Case.

City Attorney Cross advised that Council gave further direction the City Attorney and City Manager and no action was taken which is required to be announced.

B. GOVERNMENT CODE SECTION 54957

City Attorney Cross advised that Council Member Chavez moved, Council Member Betancourt seconded to approve the settlement agreement with Police Chief Steve Wright and authorized the City Manager to sign the agreement. This agreement provides that Chief Wright will retire effective September 30, 2011.

Motion unanimously **carried**.

C. GOVERNMENT CODE SECTION 54957.6

Council Member Betancourt moved, Council Member Chavez seconded to approve the tentative agreement with the RPOA that was previously approved by the RPOA, and authorized the City Manager to execute the MOU with the RPOA incorporating the changes approved by the City and RPOA in the tentative agreement.

ADJOURNMENT

Mayor Fast adjourned the regular meeting at 9:12 p.m.

Mary L. Fast, Mayor

ATTEST:

Sylvia B. Plata, City Clerk

REEDLEY CITY COUNCIL MEETING – October 23, 2012

A complete audio record of the minutes is available at www.reedley.ca.gov

The regular meeting of the Reedley City Council was called to order by Mayor Fast at 7:01 p.m. on Tuesday, October 23, 2012 in the City Hall Council Chambers, 845 “G” Street, Reedley, California.

INVOCATION

The invocation was given by Dale Freeman, Chaplain for the Reedley Police Department.

PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Council Member Soleno

ROLL CALL

Council Members

Present: Bob Beck, Anita Betancourt, Pete Chavez, Ray Soleno, Mary Fast

Absent: None

PRESENTATION

1. “RED RIBBON WEEK” PROCLAMATION

PUBLIC COMMENTS

No Public Comment

CONSENT AGENDA - (Items 2 - 8)

Council Member Betancourt requested that CONSENT ITEM NO. 7 and Mayor Fast requested that CONSENT ITEM NO. 6 be removed from the Consent Agenda for discussion.

Council Member Soleno moved, Council Member Beck seconded to accept, approve and adopt all remaining items listed, under the **CONSENT AGENDA**, as follows:

2. MINUTES OF REGULAR CITY COUNCIL MEETING OF OCTOBER 9, 2012. – *Council Approved*
3. (A) ADOPT ORDINANCE NO. 2012-004, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REEDLEY REPEALING ORDINANCE NO. 2006-13 WHICH APPROVED THE SAN JOAQUIN VALLEY POWER AUTHORITY JOINT POWERS AGREEMENT AND AUTHORIZED THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM IN THE CITY OF REEDLEY BY THE SAN JOAQUIN VALLEY POWER AUTHORITY.
(B) APPROVE AND AUTHORIZE THE CITY MANAGER TO SIGN THE TERMINATION OF SAN JOAQUIN VALLEY POWER AUTHORITY JOINT POWERS AGREEMENT. - *Council Approved*
4. ADOPT RESOLUTION NO. 2012-084 OF THE CITY COUNCIL OF THE CITY OF REEDLEY AWARDED A ROOF REPAIR CONTRACT IN THE AMOUNT OF \$11,515 TO FRYER ROOFING FOR EMERGENCY ROOF REPAIRS ON THE ROYAL VALLEY STORAGE AND PARKING GARAGE BUILDING. – *Council Approved*
5. ADOPT RESOLUTION NO. 2012-085 AUTHORIZING THE SUBMITTAL OF AN APPLICATION, ACCEPTANCE OF AN ALLOCATION OF FUNDS AND EXECUTION OF A GRANT AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION, FOR AN AIRPORT IMPROVEMENT PROGRAM (AIP) MATCHING GRANT. – *Council Approved*

REEDLEY CITY COUNCIL MEETING – October 23, 2012

6. APPROVE RESOLUTION NO. 2012-086 IN SUPPORT OF PACIFIC GAS & ELECTRIC COMPANY'S PROPOSAL TO ESTABLISH AN ENHANCED ECONOMIC DEVELOPMENT RATE. - *Removed for discussion*
7. ADOPT RESOLUTION NO. 2012-087 OF THE CITY COUNCIL OF THE CITY OF REEDLEY AWARDED A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$17,800 TO UNIVERSAL COATINGS, INC. TO REPLACE THE SKYLIGHT AT THE OPERA HOUSE. - *Removed for discussion*
8. AUTHORIZE THE CITY MANAGER TO EXECUTE A SERVICE AGREEMENT ON BEHALF OF THE CITY OF REEDLEY, BETWEEN THE CITY OF REEDLEY AND KINGS CANYON UNIFIED SCHOOL APPROVAL OF SERVICES AGREEMENT BETWEEN THE CITY OF REEDLEY AND KINGS CANYON UNIFIED SCHOOL DISTRICT FOR NARCOTICS DETECTION SERVICES. - *Council Approved*

Motion unanimously **carried**.

-
6. APPROVE RESOLUTION NO. 2012-086 IN SUPPORT OF PACIFIC GAS & ELECTRIC COMPANY'S PROPOSAL TO ESTABLISH AN ENHANCED ECONOMIC DEVELOPMENT RATE.

City Manager, Nicole Zieba addressed Council, on an opportunity presented to the Central Valley by Pacific Gas & Electric Company as well as to twenty one other counties that are economically depressed. Ms. Zieba explained the proposed new Enhanced Economic Development Rate, which would provide a discounted electric rate to certain businesses in areas of extreme unemployment and economic distress, such as the Central Valley. City Manager provided a brief overview and conditions. Ms. Zieba stated that the CPUC held initial hearings on the rate, however the other electric utilities in the PG&E territory filed briefs against the rate, stating that the lower rate would harm their fiscal condition. PG&E, the City of Fresno and several other parties attempted to reach a settlement with these electric utilities but were unable to reach a consensus. The City of Reedley had been asked to provide a Resolution of Support that will be provided to CPUC to show our support on this much needed economic relief tool.

Ms. Jeannette Ishii with PG&E was present and stated that the process would continue and ultimately it would be the CPUC who would be making the determination as to whether they would accept the proposal as it was or make changes.

After discussion, questions and comments were made by Council, a motion was made.

Council Member Betancourt moved, Council Member Soleno seconded to accept, approve and adopt, RESOLUTION NO. 2012-086 IN SUPPORT OF PACIFIC GAS & ELECTRIC COMPANY'S PROPOSAL TO ESTABLISH AN ENHANCED ECONOMIC DEVELOPMENT RATE.

Motion unanimously **carried**.

7. ADOPT RESOLUTION NO. 2012-087 OF THE CITY COUNCIL OF THE CITY OF REEDLEY AWARDED A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$17,800 TO UNIVERSAL COATINGS, INC. TO REPLACE THE SKYLIGHT AT THE OPERA HOUSE.

Council Member Betancourt expressed her concerns on the ongoing expenses that the City continues to incur on repairs for the Opera House because it was an old building and the fact that it was funded by the general fund. She stated that the rent collected did not cover the electricity bill that the City paid each month. Council Member Betancourt said that for several years they had been told that they would be able to sustain themselves. Council Member Betancourt said that the city pool had to be closed because the City could not afford it and it was very important to the City. She felt that a solution needed to be found to resolve this situation before the next budget.

Additional comments were made in support of repairs for various reasons by Council Member Soleno, Beck and Mayor Fast.

REEDLEY CITY COUNCIL MEETING – October 23, 2012

Council Member Soleno moved, Council Member Chavez seconded to accept, approve and adopt, RESOLUTION NO. 2012-087 OF THE CITY COUNCIL OF THE CITY OF REEDLEY AWARDING A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$17,800 TO UNIVERSAL COATINGS, INC. TO REPLACE THE SKYLIGHT AT THE OPERA HOUSE.

Motion unanimously **carried**.

WORKSHOPS

9. GOVERNMENT OPERATIONS GREENHOUSE GAS EMISSIONS INVENTORY PRESENTATION BY ECONOMIC DEVELOPMENT CORPORATION.

City Manager, Nicole Zieba introduced Kevin Smith with the Economic Development Corporation and Bob Riding from PG&E. Ms. Zieba stated that with the passing of AB32 and SB375, Government agencies were required to provide a greenhouse gas emissions inventory report. EDC had recognized that the smaller cities did not have the staff or resources to complete such a complex project, therefore provided the cities with intern help to do this greenhouse gas inventory for them.

Mr. Smith provided a power point presentation and provided handouts for Council. The presentation included comments and questions from Council.

10. PRESENTATION ON ANIMAL CONTROL OPERATIONS.

Lieutenant Ediger provided brief overview on changes in the operations of animal control since SPCA had opted out of all the contracts, which included the City of Reedley. He provided information on what had transpired since the termination of contract and briefly reviewed the number of agencies and agreements made in order to continue operation. He stated that the level of commitment from all the groups that they met with was equal, in that they were all on board and willing to help.

City Manager thanked Chief Garza, Lt. Ediger and John Urbano for a great job in putting together a short term plan in a very short period of time. City Manager also thanked the Animal Compassion Team for their role in adopting out 70% of the City's dogs.

ADMINISTRATIVE BUSINESS

11. (A) ADOPT RESOLUTION 2012-083 OF THE CITY COUNCIL OF THE CITY OF REEDLEY ESTABLISHING A CITYWIDE POLICY FOR THE DISPOSITION OF SURPLUS CITY PROPERTY, JUNK MATERIAL & SCRAP METAL

(B) AUTHORIZE THE CITY MANAGER OR DESIGNEE TO DECLARE CERTAIN ITEMS SURPLUS AND PROCEED WITH DISPOSITION OF ITEMS IN ACCORDANCE WITH CITY POLICY.

(C) RATIFY THE DONATION OF A 1995 KAWASAKI KZ1000, VIN#KZT00JE056939 TO CRUISING FOR JESUS, INC., A CALIFORNIA NON-PROFIT CORPORATION.

Paul Melikian, Director of Finance and Administrative Services addressed Council on the request for adoption of resolution, which authorized City Manager or designee to declare certain items surplus and proceed with disposition according with City policy and to ratify the donation made of a 1995 Kawasaki KZ1000 which had been made to Cruising for Jesus, a nonprofit corporation. Mr. Melikian stated that previously the Council had approved a services agreement with Interscholastic Trading Company to assist the City of Reedley to sell surplus property on an online environment and through other methods. A list had been compiled by all staff who was involved in the process and the list circulated to all city departments for possible reuse or redeployment. Due to the high volume of items the process would be done in several rounds of auctions.

REEDLEY CITY COUNCIL MEETING – October 23, 2012

The item before Council was the resolution to establish a citywide policy because the municipal code did not currently address policies or procedures for the disposition of surplus property, junk material and scrap metal. The approval of the policy stated Mr. Melikian, would allow City staff to move forward with the disposition of all items that have been identified and on the list which was provided to Council.

Questions were asked by Council Member Soleno and Chavez regarding the policy with responses made by City Manager and Director of Administrative Services.

Council Member Chavez moved, Council Member Beck seconded to accept, approve and adopt,
(A) ADOPT RESOLUTION 2012-083 OF THE CITY COUNCIL OF THE CITY OF REEDLEY ESTABLISHING A CITYWIDE POLICY FOR THE DISPOSITION OF SURPLUS CITY PROPERTY, JUNK MATERIAL & SCRAP METAL

(B) AUTHORIZE THE CITY MANAGER OR DESIGNEE TO DECLARE CERTAIN ITEMS SURPLUS AND PROCEED WITH DISPOSITION OF ITEMS IN ACCORDANCE WITH CITY POLICY.

(C) RATIFY THE DONATION OF A 1995 KAWASAKI KZ1000, VIN#KZT00JE056939 TO CRUISING FOR JESUS, INC., A CALIFORNIA NON-PROFIT CORPORATION.

Motion unanimously **carried**.

COUNCIL REPORTS

1. REQUESTS BY COUNCIL MEMBERS FOR FUTURE AGENDA ITEMS AND/OR REPORTS OF COUNCIL MEMBER ACTIVITIES

Council Member Betancourt

- Attended the Fire Department's Open House. Well attended.
- Met with the 3rd and 4th graders from TL Reed School along with City Clerk.
- Reminder everyone to vote.

Mayor Beck

- Enjoyed attending the Fire Department's Open House.
- Attended the Five Cities Meeting. Provided a brief overview on items discussed at the meeting.
- Attended the Entrepreneurial class program at Reedley College along with the Mayor.

Mayor Soleno

- Announced that the Southeast Regional Solid Waste Commission was canceled for the month.

Mayor Fast

- Attended the Fire Department Open House which is always a highlight for herself and her grandchildren.
- Attended a lunch invitation at the Arte America in Fresno. Provided information regarding the day.
- Participated in the crowning of the Fiesta King and Queen, Eddie and Debbie Jimenez.
- Participated in the Reedley Fiesta Parade
- Attended the Open House for the new Entrepreneurial Center at Reedley College along with Council Member Beck.
- Attended a fundraiser event for LOVE I.N.C. with Mayor Pro Temp Betancourt.
- Stated that the article in the EDC annual report on the City of Reedley was very well put together and thanked staff.

STAFF REPORTS

7. UPDATES AND/OR REPORTS BY CITY MANAGER AND/OR STAFF MEMBERS

REEDLEY CITY COUNCIL MEETING – October 23, 2012

City Manager

- Announced that the Carmelita Mine did pass at the Board of Supervisors on a 3-1 vote.
- The Centennial Committee was meeting on Wednesday at 4:00 and the meetings were opened to the public.
- She would soon provide more information to Council regarding the situation with Orange Cove water.

Paul Melikian, Director of Finance & Administrative Services

- Provide updated information on the open enrollment for City medical plans.

Mayor Fast adjourned the regular meeting and went into CLOSED SESSION at 8:23 p.m.

CLOSE SESSION

12. GOVERNMENT CODE SECTION 54957
Public Employee Performance Evaluation
Title: City Manager
13. GOVERNMENT CODE SECTION 54957.6
Conference with Labor Negotiators
Agency representative: City Manager
Unrepresented employee: City Manager

Meeting reconvened to open session at 10:20 p.m.

No action taken in closed session

ADJOURNMENT

Mayor Fast adjourned the regular meeting at 10:20 p.m.

Mary L. Fast, Mayor

ATTEST:

Sylvia B. Plata, City Clerk



REEDLEY CITY COUNCIL

- ☒ **Consent**
- ☐ **Regular Item**
- ☐ **Workshop**
- ☐ **Closed Session**
- ☐ **Public Hearing**

ITEM NO: 3

DATE: November 13, 2012

TITLE: APPROPRIATE FUNDS FROM THE PUBLIC SAFETY SALES TAX REVENUE FUND ACCOUNT 003-4307 IN THE AMOUNT OF \$20,000 FOR THE BOYS AND GIRLS CLUB.

SUBMITTED: Jose L. Garza
Chief of Police

APPROVED: Nicole R. Zieba
City Manager

RECOMMENDATION

Amend the current Public Safety Sales Tax Budget for fiscal year 2012-2013 and appropriate funds from the Public Safety Sales Tax Revenue Fund account 003-4307 in the amount of \$20,000 for the Boys and Girls Club.

BACKGROUND

On January 11, 2011, the City of Reedley entered into an agreement with the Boys and Girls Club. The initial agreement called for a payment in the amount of \$50,000 to the Boys and Girls Club from Public Safety Sales Tax Funds for assistance in initial startup costs and to aid in sustaining the program through the first two years of operation. The initial agreement outlined that after the first operational year, the police department would continue to budget \$20,000 from PSST to the Boys and Girls Club as a Primary Prevention and Intervention Program.

The Chief of Police believes that the community will be able to ultimately financially support this program through donations, grants, fund raising activities and volunteers, thereby eliminating the need for continued City subsidy. Attached to this staff report is a detailed budget submitted by the Boys and Girls Club for operational fiscal year 2012-2013. The budget is a one year budget of \$63,628. In the police department's Public Safety Sales Tax yearly budget the amount requested by Boys and Girls Club had not been included since there was no new operational budget received at that time.

The Measure G Committee approved this use of Measure G funds during the October 11, 2012 Measure G Meeting.

FISCAL IMPACT

The City of Reedley will pay the Boys and Girls Club \$20,000 out of Measure G funds for the 2012-2013 fiscal year.

ATTACHMENTS

1. Budget Amendment
2. Boys and Girls Club Budget Proposal

Motion: _____

Second: _____

**PUBLIC SAFETY SALES TAX
MEASURE G**

Public Safety Sales Tax Anticipated Revenues and Expenditures Fiscal Year 2012-2013		
	Revenue	Expenditure
Beginning Fund Balance	\$528,002.29	
Overage from Prior Year Tax Estimate	\$79,601.00	
Actual Beginning Balance	\$607,603.29	
Anticipated Revenue 2012-2013	\$800,000.00	
Police Revenue @ 70%	\$560,000.00	
New Fund Balance	\$1,167,603.29	
Capitol Project Allocation @ 7.5%		\$48,000.00
New Expenditures 2012-2013		
POSS H.R. Software		\$12,500.00
NetMotion Licenses x 28		\$8,400.00
7% Lieutenant / Supervision		\$10,442.00
Fuel (\$10,000) Maintenance (\$6000) 3 Police Vehicles		\$16,000.00
New Expenditure Total 2012-2013		\$47,342.00
Continued Expenditures 2011-2012		
K9 Training Agreement		\$2,100.00
Police Special Projects		\$7,000.00
Continued Expenditure Total 2011-2012		\$9,100.00
Continued Expenditures 2010-2011		
Boys and Girls Club		\$20,000.00
Continued Expenditure Total 2010-2011		\$20,000.00
Continued Expenditures 2009-2010		
1 Police Officer (Jarrett D)		\$86,547.00
1 CSO II StepE (Cyndee E)		\$72,267.00
Special Supplies		\$7,000.00
Victim Services - MOU		\$15,000.00
Overtime		\$10,000.00
Continued Expenditure 2009-2010		\$190,814.00
Continued Expenditures 2008-2009		
2 Police Officers (Puryear E) (Couto D)		\$187,893.00
1 CSO (Rosalinda E)		\$67,345.00
Part Time		\$40,000.00
Overtime		\$15,000.00
Safety Equipment		\$10,000.00
Narcotics K-9 Care & Supplies		\$3,000.00
Continued Expenditures 2008-2009		\$323,238.00
Total Expenditures 2012-2013		\$590,494.00
Year End Fund Balance	\$527,109.29	
Capital Project Fund Balance		\$140,500.00
Vehicle Lease Payment		\$65,000.00
Ending Capital Project Fund Balance		\$75,500.00

BOYS & GIRLS CLUB OF REEDLEY

Grant Application Budget - Measure G Funding

PERSONNEL					
Item	Detail	Funding Request	Donations & Matching Cash	Total Project Budget	Source

PERSONNEL

Administrative Staff	10% x \$51,500 Director of Operations	\$ 4,150	\$ 6,150	\$ 10,300	B&G Clubs Dir. Oper. @20 FTE
	Subtotal Personnel	\$ 4,150	\$ 6,150	\$ 10,300	
Benefits	Workers comp, FICA, SUI, etc at 14% x wages	\$ 581	\$ 861	\$ 3,128	Boys & Girls Clubs
	Total Personnel	\$ 4,731	\$ 7,011	\$ 13,428	

PROGRAM & OPERATIONS

Equipment	Furnishings at Club and kitchen equipment	\$ 400	\$ 2,500	\$ 2,900	Furnishings, tables, chairs. computer equipment by Club and
Staff Unit Director	Director - 1 Club site x \$30,000 x .25 FTE to teach gang prevention programs	\$ 7,500	\$ 7,500	\$ 15,000	.25 FTE executive staff paid by B&GC for supervision of Grant
Program Assistants	Two staff x 19 hrs/wk. for staff teach program x \$9.00 x 50 weeks for gang prevention program to teach curriculum	\$ 8,550	\$ 8,550	\$ 17,100	Balance of Support Staff from Housing and County CDBG grant
Program Supplies	Printing, materials, art, and other supplies: \$80 x 12 mths.	\$ 960	\$ -	\$ 960	Supplies for youth activities
Community Projects	Youth community service project supplies \$200 estimated x 4 projects to be completed	\$ 800	\$ 400	\$ 1,200	Community funds and in-kind & cash donations
Telephone/Cable	Phone and computer internet charges per month \$90/mth x 12	\$ 540	\$ 540	\$ 1,080	Housing Authority funding
Facility rental	Reedley Community Center is provided rent-free for use of rooms and share gymnasium	\$ -	\$ 8,400	\$ 8,400	City of Reedley provides space and utilities for Club
Transportation	Mileage for student trips, van transportation, meetings: 200 miles x 12 months x \$.40/mi	\$ 960	\$ 1,400	\$ 2,360	Additional use of Club vans for large group trips, maintenance
Rewards/Recognition	Program completion rewards, meetings, snacks, "graduation events etc. \$50 x 12	\$ 600	\$ 600	\$ 1,200	Reedley collaboration of partner
	Subtotal Programs and Operations:	\$ 20,310	\$ 29,890	\$ 50,200	
	Total Budget	\$ 25,041	\$ 36,901	\$ 63,628	



REEDLEY CITY COUNCIL

- ☒ Consent
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

ITEM NO: 4

DATE: November 13, 2012

TITLE: AUTHORIZE THE CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING ON BEHALF OF THE CITY OF REEDLEY FOR THE SHARED SPACE AND RESOURCES PROVIDED BY THE WEST COAST MENNONITE CENTRAL COMMITTEE FOR THE 2012-2013 FISCAL YEAR.

SUBMITTED: Jose L. Garza
Chief of Police

APPROVED: Nicole R. Zieba
City Manager

RECOMMENDATION

That the City Council authorize City Manager, on behalf the City of Reedley, to enter into a Memorandum of Understanding with the West Coast Mennonite Central Committee ("WCMCC") for the shared space and resources for the 2012-2013 Fiscal Year.

BACKGROUND

With prior approval from the Measure G Committee, the City of Reedley has entered an agreement with WCMCC that allows for the City of Reedley Police Department to have an office space for the Victim Services Officer to utilize in their office, relieving some of the pressure on an already overcrowded police department. Also, this partnership is beneficial in the sharing of resources between WCMCC and the Victim Services Officer.

FISCAL IMPACT

The City of Reedley will pay the WCMCC \$15,000 out of Measure G funds for the 2012-2013 fiscal year; an amount reduced by \$12,000 compared to the previous years. This amount was approved in the 2012-13 budget.

ATTACHMENTS

1. Memorandum of Understanding

Motion: _____

Second: _____

MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF REEDLEY AND WEST COAST MENNONITE CENTRAL COMMITTEE, INC.

This Agreement is made this ____ day of November, 2012 is by and between City of Reedley (CITY) West Coast Mennonite Central Committee, Inc (MCC).

The parties agree to the following:

1. MCC agrees to:

- a) Provide primary Victims Service office space for three (3) workspaces and small conference area with separate key entries with spare key for MCC
 - Provide five (5) keys for Lt, Sgt, Chief, & (2) Community Service Officers
 - Provide copier and fax access
 - Provide one (1) Victims Service phone line, 559.638.7777
- b) Shared services in Office Administration and Education & Advocacy
- c) Hold general office hours from 9am-5pm, Monday - Friday
- d) Share facility use for volunteer training, mediation, domestic violence support groups, and other Victims Service partners
- e) Conduct planning and participate in community training and services

2. CITY agrees to:

- a) Provide equipment, desks and other equipment necessary for workspace
- b) Pay to MCC \$750 monthly for shared office space
- c) Pay to MCC \$500 monthly for shared services in Office Administration and Education & Advocacy
- d) Share facility use for volunteer training, mediation, domestic violence support groups, and other Victims Service partners
- e) Conduct planning and participate in community training and services

3. Both CITY and MCC agree to the following provisions regarding shared space:

- a) In and out boxes for all connected to the larger office space
- b) Conference rooms open to scheduling on a shared calendar
- c) Quilt room for PD use as arranged

4. Payment. CITY shall pay MCC \$15,000 in lump sum within 30 days of this Agreement for July 1, 2012 through June 30, 2013, in satisfaction of monthly payments identified in section 2 of this Agreement.

5. Effectiveness, Duration and Termination. This Agreement shall be effective as of the date first written above, and shall remain in effect through June 30, 2013.

Either party may at any time terminate this Agreement without cause at the party's convenience by giving not less than two months (60 days) prior written notice to the other party. Termination shall be effective (the "Effective Date of Termination") as of the date specified in said notice of termination. Upon such termination, all rights and obligations of each party under this Agreement shall cease as of the Effective Date of Termination, except for those specific obligations that shall survive termination as set forth herein. In the event of termination of this Agreement, MCC agrees to reimburse CITY a pro-rated share of the lump sum monthly payments paid under section 4 of this Agreement.

6. Indemnification. MCC shall indemnify, hold harmless and defend CITY and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by the MCC, CITY or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly from the negligent or intentional acts or omissions,

or willful misconduct of the MCC or any of its officers, officials, employees, agents or volunteers in the performance of this Agreement.

CITY shall indemnify, hold harmless and defend the MCC and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by CITY, the MCC or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly from the negligent or intentional acts or omissions, or willful misconduct of CITY or any of its officers, officials, employees, agents or volunteers in the performance of this Agreement; provided nothing herein shall constitute a waiver by CITY of governmental immunities including California Government Code section 810 et seq.

The MCC agrees that this Agreement shall in no way act to abrogate or waive any immunities available to CITY under the Tort Claims Act of the State of California.

In the event of concurrent negligence on the part of the MCC or any of its officers, officials, employees, agents or volunteers, and CITY or any of its officers, officials, employees, agents or volunteers, the liability for any and all such claims, demands and actions in law or equity for such losses, fines, penalties, forfeitures, costs and damages shall be apportioned under the State of California's theory of comparative negligence as presently established or as may be modified hereafter.

This section shall survive termination or expiration of this Agreement.

7. **Insurance.** MCC shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the services hereunder by MCC, its agents, representatives or employees. Coverage shall be at least as broad as:

- **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if MCC has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
- **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$100,000** per accident for bodily injury or disease. **(Not required if MCC provides written verification it has no employees)**

If MCC maintains higher limits than the minimums shown above, CITY requires and shall be entitled to coverage for the higher limits maintained by MCC.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The CITY, its officers, officials, employees, and volunteers are to be covered as additional insureds on the auto policy with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the MCC; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the MCC including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the MCC's insurance

(at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

Primary Coverage

For any claims related to this contract, **MCC's insurance coverage shall be primary** insurance as respects the CITY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, or volunteers shall be excess of the MCC's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall state that **coverage shall not be canceled, except with notice to the Entity**.

Waiver of Subrogation

MCC hereby grants to CITY a waiver of any right to subrogation which any insurer of said MCC may acquire against the CITY by virtue of the payment of any loss under such insurance. MCC agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the CITY has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the CITY. The CITY may require MCC to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Entity.

Verification of Coverage

MCC shall furnish CITY with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the CITY before services under this agreement commence. However, failure to obtain the required documents prior to the services beginning shall not waive MCC's obligation to provide them. CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

8. **Confidentiality.** In the course of providing the services, MCC may be required to access information that is confidential to CITY or personal information about constituents, employees and/or contractors. MCC will keep all such information confidential and will collect, use and disclose such information only on a need-to-know basis in a manner consistent with the provision of the services and/or products. Without limiting the generality of what precedes, MCC specifically agrees to:
- a) Protect and safeguard all confidential/personal information in a manner that meets or exceeds normal business standards.
 - b) Collect, use and disclose confidential/personal information only for the identified purposes as specified by CITY from time to time.
 - c) Acknowledge that confidential/personal information supplied by CITY shall remain the exclusive property of CITY.
 - d) Undertake not to copy, disclose, convey or transfer any confidential/personal information to a third party without the prior written consent of CITY.
 - e) Indemnify and hold harmless CITY and/or any of its employees from losses resulting from MCC's breach of these provisions.

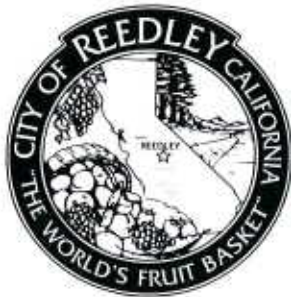
9. **Non-Disparagement.** MCC agrees not to make any disparaging statements to any person or entity about CITY, its officers, directors, employees or programs. A disparaging statement is any communication which could reasonably be expected to cause the recipient of the communication to substantially question the business condition, integrity, competence, fairness, or good character of the person or entity. This Section shall survive the termination of the Agreement.
10. **Entire Agreement.** The provisions of this Agreement constitute the entire and only agreement between the parties concerning the subject matter described herein, and bind the parties, their successors and assigns. This Agreement can only be changed by approval in writing by all parties.

Nicole Zieba, City Manager
City of Reedley

Date

Sheri Plett-Weidenhoefer, Director
West Coast Mennonite Central Committee, Inc.

Date



REEDLEY CITY COUNCIL

- ☒ Consent
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

ITEM NO: 5

DATE: 11/13/2012

TITLE: APPROVE FIRST AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

SUBMITTED: Nicole R. Zieba
City Manager

RECOMMENDATION

That the City Council approve the First Amendment to the City Manager's Employment Agreement.

BACKGROUND

The attached document amends the current Agreement between the City of Reedley and the City Manager. The two provisions amended from the original Agreement are related to vacation accrual and severance payout upon termination without cause.

FISCAL IMPACT

There is no direct fiscal impact to the City by approving these two provisions. Direct fiscal impact of these provisions will only occur should there be termination of the City Manager without cause.

COMMITTEE/COMMISSION REVIEW/ACTIONS: N/A

ATTACHMENTS

1. First Amendment to City Manager Employment Agreement

Motion: _____

Second: _____

FIRST AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

This First Amendment to City Manager Employment Agreement ("First Amendment") is entered into by and between the City of Reedley, a California Municipal Corporation ("City"), and Nicole R. Zieba ("Zieba"), and is effective as of November 13, 2012 ("Effective Date").

WHEREAS, on August 22, 2011, City and Zieba entered into that certain City Manager Employment Agreement (the "Agreement") which is incorporated herein by reference; and

WHEREAS, among other things, the Agreement contains various provisions setting forth the compensation and benefits to be provided to Zieba; and

WHEREAS, City and Zieba both desire to amend the Agreement as set forth in this First Amendment.

NOW, THEREFORE, in view of the above recitals, which are a substantive part of this First Amendment, and in consideration for the mutual promises set forth herein, City and Zieba agree as follows:

1. Amendment to Section 8 of the Agreement. Section 8 of the Agreement, entitled "Vacation, Sick Leave, and Administrative Leave," is amended to read in its entirety as follows:

8. Vacation, Sick Leave, and Administrative Leave. Zieba shall accrue fifteen (15) days of vacation leave per year, and shall accrue sick leave and administrative leave in the same manner as executive management employees of the City. Similar to the annual increase of vacation leave for executive management employees of the City as set forth in the City's current Salary and Benefit Resolution, Zieba's annual vacation leave accrual shall increase one day per year of employment on each anniversary date of this First Amendment, but no more than twenty (20) days of vacation leave may be accrued in a single year. Except as otherwise expressly provided herein, Zieba shall be subject to applicable City ordinances, resolutions, rules and policies pertaining to the accrual and use of vacation time by executive management employees as the same currently exist and may hereinafter be modified.

2. Amendment to Subsection (a) of Section 9 of the Agreement. Section 9, subdivision (a), of the Agreement is amended to read in its entirety as follows:

(a) Termination Without Cause. The majority of the City Council may terminate this Agreement at any time without cause by providing at least thirty (30) days written notice to Zieba. In the event of termination without cause, Zieba shall be entitled to severance compensation as follows:

(i) a lump sum severance payment equal to six (6) months of Zieba's aggregate salary, less any required deductions, with payment to be made on the date the termination is effective; and

(ii) a continuation of the health, dental, and optical insurance coverages and benefits described in Section 5 of the Agreement until Zieba begins employment elsewhere as a full time City Manager, or six (6) months after termination, whichever occurs first; and

(iii) monthly payments equal to Zieba's monthly salary at termination, less any required deductions, beginning one month after termination and ending either six (6) months after termination or when Zieba begins employment elsewhere as a full time City Manager, whichever occurs first. If Zieba begins employment elsewhere as a full time City Manager within the first six (6) months following termination without cause, Zieba is entitled to retain the entire lump sum severance payment provided under Subsection (a)(i) herein, but the health, dental, and optical insurance coverages and benefits provided under Subsection (a)(ii) herein and the monthly severance payments under this Subsection (a)(iii) shall cease upon Zieba beginning such employment.

3. Salary Review. The City Council shall conduct a salary review and consider an adjustment to Zieba's salary and/or other benefits no later than July 31, 2013.

4. All Other Terms Remain in Effect. Except as otherwise expressly provided herein, all other terms and conditions of the Agreement shall remain in full force and effect, and shall be interpreted so as to give full force and effect to this First Amendment.

IN WITNESS WHEREOF, City and Zieba have approved and executed this First Amendment as of the Effective Date set forth above.

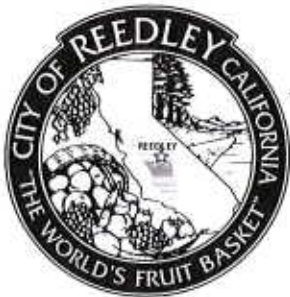
CITY:

CITY MANAGER:

CITY OF REEDLEY, a California Municipal Corporation

By: _____
Mary L. Fast, Mayor

Nicole R. Zieba



REEDLEY CITY COUNCIL

- ☒ Consent
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

ITEM NO: 6

DATE: 11/13/2012

TITLE: ADOPT RESOLUTION NO. 2012-069, ACCEPTING THE CONSTRUCTION IMPROVEMENTS FOR THE REEDLEY CITY STREETS IMPROVEMENTS (PHASE III), CDBG PROJECT NO. 11571 AND AUTHORIZING THE CITY ENGINEER TO FILE A NOTICE OF COMPLETION WITH THE COUNTY OF FRESNO RECORDER'S OFFICE

SUBMITTED: Noé Martinez *NM*
City Engineer

APPROVED: Nicole Zieba
City Manager *NZ*

RECOMMENDATION

That the City Council adopt Resolution No. 2012-069, accepting the construction improvements and authorize the City Engineer to file a Notice of Completion for Reedley City Street Improvements (Phase III) CDBG Project No. 11571.

EXECUTIVE SUMMARY

Staff request that Council accept the construction improvements for CDBG Project No. 11571 and approve a Notice of Completion.

BACKGROUND

On June 19, 2012, City staff conducted the bid opening for the Reedley City Street Improvements (Phase III), CDBG Project No. 11571. A "Notice to Proceed" on this project was issued on August 6, 2012. The first working day on this contract started on August 20, 2012. The contract required that the work be completed by October 23, 2012. One (1) Change Order on this project was requested, approved and issued in the amount of \$15,253.00 corresponding to additional project costs and contract credits to the City. The construction contract for this project was increased from the bid amount to \$379,725.46. On October 25, 2012 the County of Fresno completed the final site inspection for the project and determined the project was completed in accordance with the scope of work authorized pursuant to the executed agreement between the City of Reedley and the County of Fresno.

Attached is the Fresno County letter dated October 30, 2012 approving the completed

construction and outlining the final requirements for close out of project and the CDBG grant final payment request.

FISCAL IMPACT

There is no fiscal impact with regard to the recordation of a Notice of Completion for Reedley City Street Improvements (Phase III) CDBG Project No. 11571.

COMMITTEE/COMMISSION REVIEW/ACTIONS: N/A

PRIOR COUNCIL ACTIONS

The funding application for CDBG Project No. 11571 was approved by City Council on September 14, 2010. A subsequent approval for the application was given by City Council through a public hearing held on October 12, 2010. On July 10, 2011, City Council awarded the construction contract for Reedley City Street Improvements (Phase III) CDBG Project No. 11571 to the lowest responsive, responsible bidder, Asphalt Maintenance Company of California. The project consisted of applying a Type II slurry seal to various streets designated for improvements within the 5 Year Plan for Fiscal Year 2011-12.

ATTACHMENTS

1. Fresno County Project Completion Letter dated October 30, 2012
2. Resolution No. 2012-069
3. Notice of Completion

Motion: _____

Second: _____



County of Fresno

DEPARTMENT OF PUBLIC WORKS AND PLANNING
ALAN WEAVER, DIRECTOR

October 30, 2012

Nicole Zieba, City Manager
City of Reedley
1717 Ninth Street
Reedley, CA 93654

Dear Ms. Zieba:

Subject: Project Completion Site Inspection for the Reedley City Street
Improvements (Phase III), Community Development Block Grant (CDBG)
Project No. 11571

The County Community Development Division has completed a final inspection for the above referenced project and has determined that the project was completed in accordance with the scope of work approved and authorized pursuant to the executed Agreement.

Pursuant to Section III of the Agreement, please provide the County Community Development Division with a resolution of acceptance, or similar documentation demonstrating the project was completed in accordance with the scope of work approved and authorized pursuant to the executed Agreement. Also, a copy of the recorded Notice of Completion (NOC), a written Project Outcome Measurement Report (POM), a breakdown of all funding sources and expenditures, and a written summary of all project work completed with CDBG and other funds must also be provided prior to the final request for payment (refer to Paragraphs O and P for specific submittal requirements).

Section 3 of the Housing and Urban Development Act of 1968 requires information to be submitted to HUD in order to demonstrate compliance with the Section 3 Clause. Accordingly, the Notice to Contractors for the Reedley City Street Improvements (Phase III), CDBG Project No. 11571 included information pertaining to Section 3 and a Statement of Work Force Needs form that is required to be completed by the awarded contractor. Enclosed is an updated version of the form that needs to be completed. Please include both pages of the completed Statement of Work Force Needs form with the other required documents in order to close out the project and to process the final payment request.

Ms. Nicole Zieba
October 30, 2012
Page 2

If you have any questions, please contact me or Jonathan Avedian, the Project Representative, at (559) 600-4292.

Sincerely,



Christina Husbands, Program Manager
Community Development Grants

CH:JA/jc
G:\7205ComDev\CD OFFICE SUPPORT WORKING FOLDER 2012\Correspondence\CD\BG AND GRANT\Final Inspection for Reedley City St. Imps., Phase III(10-29-12).doc
October 30, 2012

Enclosure

C: Darren Findley, Construction Division
Dale Siemer, Design Division
Noe Martinez, City of Reedley

STATEMENT OF WORK FORCE NEEDS

☐ Preliminary (Anticipated)

(See following for instructions)

☐ Final (Completion)

PROJECT: _____
CDBG No. _____

Contract No. _____

Part I: Employment and Training

A. Job Category	NEW HIRES FOR THIS PROJECT			AGGREGATE WORK FORCE	
	B. Total Number of New Hires	C. No. of Lower Income New Hires	D. % of Total Staff Hours of New Hires that are Lower Income	E. % of Total Staff Hours for Lower Income Employees & Trainees	F. Number of Lower Income Trainees
Professionals					
Technicians					
Office/Clerical					
Construction by Trade (List Trade					
Trade					
Trade					
Trade					
Trade					
Trade					
Other (List)					
Total					

BIDDER: _____

BY: _____ DATE: _____

TITLE: _____

Page ____ of ____

STATEMENT OF WORK FORCE NEEDS

(See following for instructions)

☐ Preliminary (Anticipated)

☐ Final (Completion)

PROJECT: _____
CDBG No. _____

Contract No. _____

Part II: Contracts Awarded

1. Construction Contracts

A. Total dollar amount of all contracts awarded on the project	\$	
B. Total dollar amount of contracts awarded to Section 3 businesses	\$	
C. Percentage of total dollar amount that was awarded to Section 3 businesses		%
D. Total number of Section 3 businesses receiving contracts		

2. Non-Construction Contracts

A. Total dollar amount of non-construction contracts awarded on the project	\$	
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$	
C. Percentage of total dollar amount that was awarded to Section 3 businesses		%
D. Total number of Section 3 businesses receiving non-construction contracts		

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by this project, to the greatest extent feasible, toward low and very-low income persons, particularly those who are recipients of government assistance for housing. (Check all that apply)

- _____ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the County, or similar methods.
- _____ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- _____ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- _____ Coordinated with Youthbuild Programs administered in the metropolitan area in which the project is located.
- _____ Other; describe below.

BIDDER: _____

BY: _____ DATE: _____

TITLE: _____ Page ____ of ____

INSTRUCTIONS FOR STATEMENT OF WORK FORCE NEEDS

This form must be completed and submitted by the Bidder prior to award of the Contract. Award may be expedited if the form is submitted with the Bid. Failure to submit the form prior to award will result in rejection of the bid.

The form will also be submitted by the Prime Contractor upon completion of the project.

When submitting with bid or prior to award, enter anticipated work force needs. When submitting at project completion, enter actual work force used.

Contractors on this project are subject to Section 3 requirements and must maintain appropriate documentation to establish that HUD financial assistance for the project was directed toward low- and very-low income persons.*

Part I: Employment and Training

A. Job Category	For construction positions, list each trade and provide data in Columns B-F for each trade where persons were employed.
B. Number of New Hires	Enter the number of new hires for each category of workers identified in Column A. New hire refers to a person who is not on the contractor's payroll for employment at the time of Selection for the Section 3 covered award.
C. Number of Lower Income New Hires	Enter the number of lower income new hires for each category of workers identified in Column A.
D. Percentage of Lower Income New Hire Staff Hours	Enter the percentage of all the staff hours of new hires worked by lower income new hires. Include staff hours for part-time and full-time positions.
E. Percentage of Total Staff Hours for Lower Income Employees & Trainees	Enter the percentage of the total staff hours worked by lower income employees and trainees. Include staff hours for part-time and full-time positions.
F. Number of Lower Income Trainees	Enter the number of lower income persons that were trained in connection with this project.

Part II: Construction Contracts

Where referenced, Section 3 businesses are defined in HUD's regulations at 24 CFR 135 as businesses which meet at least one of the criteria listed below:

1. A business that is at least 51 percent owned by Section 3 residents.
2. A business whose permanent, full-time employees include persons, at least 30% of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents.
3. A business that provides evidence of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in criteria 1 or 2.

Part III: Summary of Efforts - Self-explanatory

* For purposes of this Section 3 covered project, "lower income residents" means any individual who resides within the area of a Section 3 covered project, and whose family income does not exceed that shown in the table below.

PROJECT AREA FRESNO COUNTY	NUMBER OF PERSONS IN FAMILY							
	1	2	3	4	5	6	7	8
80% of Median Income=	32,450	37,050	41,700	46,300	50,050	53,750	57,450	61,150

eff 12/1/2011

RESOLUTION NO. 2012-069

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REEDLEY ACCEPTING THE CONSTRUCTION IMPROVEMENTS THE REEDLEY CITY STREETS IMPROVEMENTS (PHASE III), CDBG PROJECT NO. 11571 AND AUTHORIZING THE CITY ENGINEER TO FILE A NOTICE OF COMPLETION WITH THE COUNTY OF FRESNO RECORDER'S OFFICE.

BE IT RESOLVED by the City Council of the City of Reedley as follows:

1. That the subject project is hereby accepted for maintenance in accordance with the provisions of the contract and applicable ordinances and policies.
2. That the Notice of Completion for the construction improvements for the **Reedley City Streets Improvements Phase III, CDBG Project No. 11571** is hereby approved and the City Engineer is authorized to transmit attached Notice of Completion to the Fresno County Records' Office.

This foregoing resolution is hereby approved the 13th day of November, 2012, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mary L. Fast, Mayor

ATTEST:

Sylvia B. Plata, City Clerk

**RECORDING REQUESTED BY:
AND FOR THE BENEFIT OF,**
Engineering Department
City of Reedley
No Fee-Gov/t. Code Sections
6103 and 27383

WHEN RECORDED, MAIL TO:

City of Reedley
Engineering Department
1733 9th Street
Reedley, CA 93654

SPACE ABOVE THIS LINE FOR RECORDER'S USE

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, must be filed within 10 days after completion.

Notice is hereby given that:

1. The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
2. The full name of the owner is: **City of Reedley**
3. The full address of the owner is: **1733 Ninth Street, Reedley, CA 93654**
4. The nature of the interest or estate of the owner is: **Public Right-of-Way**
5. A work of improvement on the property hereinafter described was completed on: **October 23, 2012**. The work done was: **Reedley City Street Improvements Phase III, CDBG Project No. 11571.**
6. The name of the contractor, if any, for such work of improvement was: **Asphalt Maintenance Company of California**
- 7.. The property on which said work of improvement was completed is in the **City of Reedley**, County of Fresno, State of California, and is described as follows: **Public rights-of-way within the Town of Reedley Plat, in Book 5, Page 6 of R.S. Fresno County Recorder's**
8. The street address of said property is: **NONE**

Dated: _____

Noe Martinez, PE
City Engineer

VERIFICATION

I, the undersigned, say: I am the City Engineer for the City of Reedley, the declarant of the foregoing notice of completion;

I have read said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

(PERSONAL SIGNATURE OF THE INDIVIDUAL WHO IS SWEARING THAT THE CONTENTS OF THE NOTICE OF COMPLETION ARE TRUE.)

Executed on _____, 2012, at Reedley, California
(DATE) (CITY) (STATE)

ATTACHED HERETO AND MADE A PART HEREOF, RESOLUTION NO. 2012-069



REEDLEY CITY COUNCIL

- ☒ Consent
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

ITEM NO: 7

DATE: 11/13/2012

TITLE: ADOPT RESOLUTION NO. 2012-088 AWARDING A CONSTRUCTION CONTRACT TO HOBBS CONSTRUCTION, INC. FOR MANNING AVENUE TRAIL CROSSING, FEDERAL-AID PROJECT NO. HSIPL-5216(038).

SUBMITTED: Noé Martinez, P.E.
City Engineer

APPROVED: Nicole Zieba
City Manager

RECOMMENDATION

That the City Council adopt Resolution No. 2012-088, awarding a construction contract for the Manning Avenue Trail Crossing, Federal-Aid Project No. HSIPL-5216(038) to the lowest responsive, responsible bidder Hobbs Construction, Inc. in the amount of \$104,562.00.

EXECUTIVE SUMMARY

Staff is requesting that the City Manager be authorized to execute the agreement for the Manning Avenue Trail Crossing, Federal-Aid Project No. HSIPL-5216(038) work with Hobbs Construction, Inc., subject to the submittal of the necessary bonds, insurance certificates and other necessary documents required by the specifications and special provisions for this project, all for the approval by and to the satisfaction of the City Engineer and City Attorney.

BACKGROUND

Manning Avenue Trail Crossing, Federal-Aid Project No. HSIPL-5216(038) project consists of retrofitting the existing pedestrian/bike trail crossing at Manning Avenue approximately 150 feet north of the intersection of Manning and I Street. The work will consist of grinding the existing asphalt surfacing from the Union Pacific Railroad tracks to 85 feet north, installation of a 3-inch asphalt overlay, replacement of in-pavement crosswalk lighting, ADA compliant handicap ramps, sidewalks, striping and signage improvements.

On October 5, 2012, a Notice to Bidders for the Manning Avenue Trail Crossing, Federal-Aid Project No. HSIPL-5216(038) project was advertised in the Fresno Business Journal for a period of approximately 3 weeks. Pre-bid meeting were held on October 16 and October 25, 2012. During the bidding period, a total of six (6) contractors requested bid documents from

the City for this project. One addendum was issued during the project bidding period to conduct a 10-day wage check as required by the Federal funding program for Davis-Bacon Act prevailing wages compliance.

On October 30, 2012, City staff conducted the bid opening for the Manning Avenue Trail Crossing, Federal-Aid Project No. HSIPL-5216(038). A total of five (5) bids were received, opened and read aloud. The bids received ranged from \$104,562.00 to \$197,999.00, as shown in the attached Bid Tabulation. The engineer's estimate of probable cost was \$112,375.00. City staff reviewed and determined that the low bidder's proposal is both responsive and responsible per the construction documents for this project. Henceforth, staff recommends that the City Council award a construction contract to Hobbs Construction, Inc., in the amount of \$104,562.00.

FISCAL IMPACT

It is estimated that the construction cost for the Manning Avenue Trail Crossing, Federal-Aid Project No. HSIPL-5216(038) which includes the above stated construction contract, plus contingency and construction engineering costs shall not exceed \$133,562.00 and shall be funded from budget account 007-4450-6018 (Federal share) and 017-4444-6018 (Measure C Local Match).

COMMITTEE/COMMISSION REVIEW/ACTIONS: N/A

PRIOR COUNCIL ACTIONS:

The CEQA, Notice of Exemption was filed with the Clerk of the County of Fresno on April 10, 2012 for the work included in this project. The funds for this project were budgeted and approved in the 2012-2013 City Budget on June 26, 2012.

ATTACHMENTS

1. Bid Tabulation
2. Resolution No. 2012-088

Motion: _____
Second: _____

Manning Ave Trail Crossing
 Bid Opening October 30, 2012

Summary of Bids

Item No.	Description	Quantity/Units	Engineers Estimate		Hobbs Construction Inc.		Serna Construction		Seal Rite Paving and Grading		American Paving Co.		Lee's Paving	
			Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
1	Mobilization	1 LS	\$15,000.00	\$15,000.00		\$10,000.00		\$7,000.00		\$3,850.00		\$33,700.00		\$18,500.00
2	Storm Water Pollution Control	1 LS	\$3,000.00	\$3,000.00		\$500.00		\$1,000.00		\$1,850.00		\$600.00		\$5,000.00
3	Traffic Control System	1 LS	\$10,000.00	\$10,000.00		\$1,500.00		\$6,000.00		\$22,000.00		\$5,000.00		\$20,000.00
4	Clearing and Grubbing	1 LS	\$5,000.00	\$5,000.00		\$7,500.00		\$21,000.00		\$19,200.76		\$8,000.00		\$7,752.00
5	In-Pavement Crosswalk Lighting	1 LS	\$35,000.00	\$35,000.00		\$40,800.00		\$45,000.00		\$88,550.00		\$73,800.00		\$73,800.00
6	Grind Existing Pavement	889 SY	\$10.00	\$6,890.00	\$13.00	\$8,957.00	\$11.50	\$7,992.40	\$10.61	\$7,310.29	\$8.50	\$5,856.50	\$18.30	\$12,608.00
7	Hot Mix Asphalt	166 TON	\$85.00	\$12,410.00	\$150.00	\$21,900.00	\$15.50	\$21,973.00	\$138.13	\$20,166.98	\$205.00	\$29,930.00	\$144.00	\$21,024.00
8	Class 2 Aggregate Base	47 TON	\$65.00	\$3,055.00	\$85.00	\$3,995.00	\$50.00	\$2,350.00	\$102.91	\$4,836.77	\$88.00	\$4,136.00	\$145.00	\$6,815.00
9	Curb Ramp	1 LS	\$4,500.00	\$4,500.00		\$3,000.00		\$1,350.00		\$3,300.00		\$7,000.00		\$3,000.00
10	Concrete Sidewalk	242 SF	\$6.00	\$1,452.00	\$5.00	\$1,210.00	\$4.00	\$968.00	\$6.60	\$1,597.20	\$17.00	\$4,114.00	\$6.00	\$1,452.00
11	Paint Traffic Stripes and Pavement Marking	1 LS	\$10,000.00	\$10,000.00		\$2,200.00		\$3,000.00		\$2,420.00		\$2,200.00		\$2,200.00
12	Railroad Flagger	16 HR	\$125.00	\$2,000.00	\$125.00	\$2,000.00	\$100.00	\$1,600.00	\$280.50	\$4,488.00	\$150.00	\$2,400.00	\$150.00	\$2,400.00
13	Miscellaneous Facilities	1 LS	\$4,068.00	\$4,068.00		\$1,000.00		\$1,500.00		\$2,530.00		\$10,000.00		\$23,448.00
14				\$112,375.00		\$104,562.00		\$120,733.40		\$181,900.00		\$186,736.50		\$197,999.00
48														
49														
Trade/Item of Work			Subcontractor		Subcontractor		Subcontractor		Subcontractor		Subcontractor		Subcontractor	
Concrete					R&R Service Contractors				Fresno Concrete		Fresno Concrete		Fresno Concrete	
Mobilization													KRC Safety	
Pavement Grinding							Fonseca/McElroy Grinding Co. Inc.							
Electrical-Partial					Traffic Loops Crackfilling Inc.									
Electrical					Fresno & Best Industrial Electric									
Striping					Chriss Company		K&D Electric Inc		AC Electric		AC Electric		AC Electric	
							Chriss Company		T&T Pavement Marking		Chriss Company		Chriss Company	

RESOLUTION NO. 2012-088

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REEDLEY
AWARDING A CONSTRUCTION CONTRACT TO HOBBS CONSTRUCTION,
INC., FOR MANNING AVENUE TRAIL CROSSING, FEDERAL-AID PROJECT
NO. HSIPL-5216(038)**

WHEREAS, the City of Reedley issued a Notice to Contractors for Manning Avenue Trail Crossing, Federal-Aid Project No. HSIPL-5216(038); and

WHEREAS, the City received, opened and read aloud five bids that ranged from \$104,562.00 to \$197,999.00; and

WHEREAS, the lowest, most responsive and responsible bid was submitted by Hobbs Construction, Inc., in the amount of \$104,562.00.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Reedley as follows:

1. That the contract for Manning Avenue Trail Crossing, Federal-Aid Project No. HSIPL-5216(038) is awarded to Hobbs Construction, Inc., for the unit and lump sum prices as bid, the total amount of the contract being \$104,562.00.

2. That the City Manager is authorized and directed to promptly execute the contract for the subject work with Hobbs Construction, Inc., subject to the submittal of the necessary bonds, insurance certificates and other necessary documents required by the specifications and special provisions for this project, all for the approval by and to the satisfaction of the City Engineer and the City Attorney.

3. The City Manager and/or her designee, is hereby authorized to execute contract change orders to the contract for this project and shall not exceed 10% of the total bid or \$10,456.20 without prior approval of this City Council.

4. The total construction budget for this project, including the construction contract, contingency and construction engineering costs shall not exceed \$133,562.00. Said funding to be comprised of Federal-Aid Grant and Local Match funds.

This foregoing resolution is hereby approved this 13th day of November, 2012, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Mary L. Fast, Mayor

Sylvia B. Plata, City Clerk



REEDLEY CITY COUNCIL

- ☒ Consent
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

ITEM NO: 8

DATE: 11/13/2012

TITLE: ADOPT RESOLUTION NO. 2012-089:

- A) AUTHORIZING THE CITY MANAGER TO EXECUTE THE ADMINISTERING AGENCY-STATE PROGRAM SUPPLEMENT AGREEMENT WITH THE STATE OF CALIFORNIA FOR FEDERAL-AID PROJECT NO. CML-5216(043), CNG FUELING STATION AT THE CENTRAL VALLEY TRANSPORTATION CENTER.
- B) AUTHORIZING THE CITY MANAGER TO GRANT RIGHTS OF WAYS AND EASEMENTS FROM CITY-OWNED PROPERTIES FOR THE BENEFIT OF AND IN CONNECTION WITH THE CNG FUELING STATION PROJECT.

SUBMITTED: Noé Martinez, PE
City Engineer

APPROVED: Nicole R. Zieba
City Manager

RECOMMENDATION

Adopt Resolution No. 2012-089 authorizing the City Manager to execute the Administering Agency-State Program Supplement Agreement No. 034-N with the California Department of Transportation for the City Reedley CNG Fueling Station Federal Aid Project No. CML-5216(043) and approve any dedication of rights of ways and easements for the benefit and in connection with said project.

EXECUTIVE SUMMARY

Caltrans has already given authorization to proceed with construction of the City of Reedley CNG Fueling Station Project. Part of this authorization process includes executing the Program Supplement Agreement that will allow the City to obtain reimbursement for eligible expenses incurred for the construction of said project.

The Gas Company is in need of an easement through the Sports Park for installation of the gas service line from Dinuba Avenue to the CNG station project site. The requirements for this easement have been coordinated with City staff and such easement is ready to be

granted upon approval by City Council.

BACKGROUND

The City of Reedley in partnership with the Kings Canyon School District (KCUSD) is planning the construction of a compressed natural gas (CNG) fueling station that will not only serve the CNG fueling needs of both entities but possibly others in the future as allowed by the Joint Powers Authority (JPA). This JPA was created by the City and KCUSD for purposes of this fueling station project which is just a component of the master planned Central Valley Transportation Center (CVTC) envisioned by both agencies.

The City of Reedley, on behalf of the JPA, was awarded a Congestion Mitigation and Air Quality Improvements (CMAQ) Grant of \$999,200 for the construction of the CNG fueling station at the planned site for the proposed Central Valley Transportation Center. The City recently received authorization from the Federal Highway Administration (FHWA) to proceed with the construction activities for said project. Now that construction authorization has been received, City staff is in the process of finalizing the construction documents to proceed with advertisement and award of the construction contract to a qualified contractor for construction of the CNG fueling station facilities.

The approval of the attached Program Supplement Agreement will allow the City to request for reimbursement for all eligible and incurred construction costs. The Program Supplement Agreement articulates the conditions the City is required to follow in order to be reimbursed for these construction costs. Among other project-related provisions, Federal invoices for both progress and final payments may not be submitted to Caltrans for reimbursement until the Program Supplement Agreement has been executed.

Concurrent with the construction of the fueling station facilities and as part of a separate project, The Gas Company will be installing the gas service pipeline connecting the City of Reedley/KCUSD's fueling station to the gas distribution system on Dinuba Avenue. To make this utility service connection, The Gas Company proposes an alignment that would cross the Sports Park site along the west property line from Dinuba Avenue due south into the KCUSD property currently planned for the future CVTC facility. The Gas Company requires a 15-foot wide easement adjacent to the property line to properly installed and maintained the gas service line for the CNG fueling station. City staff recommends granting this 15-foot easement to The Gas Company for said purposes and that the City Manager be authorized to dedicate this 15-foot easement and any other rights of ways or easements required for the CNG Fueling Station Project for purposes of constructing, operating and maintaining all project-related improvements.

FISCAL IMPACT

This is a Federal-funded project with a required 11.47 percent local match. Federal funding for this fueling station project is restricted to eligible items amounting to \$1,128,656 in construction costs with corresponding Federal share of \$999,200 and local match of \$129,456. However, the total project cost is currently estimated at \$3,028,274 including eligible and non-eligible work. The total funding required for this project beyond the Federal share amount will be offset with a combination of in-kind work from City of Reedley forces and funding that is already identified or that needs to be secured prior to awarding a construction contract.

Budgeted item: Yes (partially)

Expenditure: On going
Fund Acct(s): 007-4450-6028, 053-4520-6028

COMMITTEE/COMMISSION REVIEW/ACTIONS: N/A

PRIOR COUNCIL ACTIONS

The Federal funding application for the CNG fueling station was submitted pursuant to Resolution 2008-040 approved by the City Council on April 8, 2008.

ATTACHMENTS

1. Resolution 2012-089
2. Program Supplement Agreement

RESOLUTION NO. 2012-089

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REEDLEY:

- A) AUTHORIZING THE CITY MANAGER TO EXECUTE THE ADMINISTERING AGENCY-STATE PROGRAM SUPPLEMENT AGREEMENT WITH THE STATE OF CALIFORNIA FOR FEDERAL-AID PROJECT NO. CML-5216(043), CNG FUELING STATION AT THE CENTRAL VALLEY TRANSPORTATION CENTER.**
- B) AUTHORIZING THE CITY MANAGER TO GRANT RIGHTS OF WAYS AND EASEMENTS FROM CITY-OWNED PROPERTIES FOR THE BENEFIT OF AND IN CONNECTION WITH THE CNG FUELING STATION PROJECT.**

WHEREAS, the City of Reedley is eligible to receive Federal funding for certain Transportation Projects, through the California Department of Transportation (Caltrans); and

WHEREAS, the City of Reedley was awarded Federal funding in the amount of \$999,200 from the Congestion Mitigation and Air Quality (CMAQ) Program for construction of the CNG fueling station at the Central Valley Transportation Center; and

WHEREAS, the Caltrans' Program Supplement Agreement needs to be executed before such Federal funds could be claimed; and

WHEREAS, the CNG Fueling Station Project requires certain rights of ways and easements for purposes of constructing, maintaining and operating project-related improvements; and

WHEREAS, said rights of ways and easements may be required from certain City-owned properties; and

WHEREAS, the City of Reedley wishes to delegate authorization to the City Manager to execute the Program Supplement Agreement and any amendments thereto and to grant rights of ways and easements from City-owned properties for the benefit of and in connections with the fueling station project.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Reedley as follows:

That the City Manager is authorized to execute the Administering Agency-State Program Supplement Agreement No. 034-N for Federal-Aid Project No. CML-5216(043), CNG Fueling Station at the Central Valley Transportation Center.

That the City Manager is authorized to execute any documents necessary for the dedication of rights of ways and easements from City-owned properties for purposes of constructing, maintaining and operating project-related improvements for the CNG Fueling Station at the Central Valley Transportation Center.

The foregoing resolution was passed, approved and adopted by the City Council of the City of Reedley this 13th day of November, 2012, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mary L. Fast, Mayor

ATTEST:

Sylvia B. Plata, City Clerk

PROGRAM SUPPLEMENT NO. N034
to
ADMINISTERING AGENCY-STATE AGREEMENT
FOR FEDERAL-AID PROJECTS NO 06-5216R

Adv Project ID Date: October 18, 2012
0600020555 Location: 06-FRE-0-REED
Project Number: CML-5216(043)
E.A. Number:
Locode: 5216

This Program Supplement hereby adopts and incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on 03/13/07 and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. _____ approved by the Administering Agency on _____
(See copy attached).

The Administering Agency further stipulates that as a condition to the payment by the State of any funds derived from sources noted below obligated to this PROJECT, the Administering Agency accepts and will comply with the special covenants or remarks set forth on the following pages.

PROJECT LOCATION:

Reedley Corporate Yard

TYPE OF WORK: Construct Clean Air Alternative Fueling Center

LENGTH: 0.0(MILES)

Estimated Cost	Federal Funds		Matching Funds	
	L40E	\$999,200.00	LOCAL	OTHER
\$3,028,274.00			\$237,521.00	\$1,791,553.00

CITY OF REEDLEY

STATE OF CALIFORNIA
Department of Transportation

By _____
Title _____
Date _____
Attest _____

By _____
Chief, Office of Project Implementation
Division of Local Assistance
Date _____

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:

Accounting Officer _____

Date 10/18/12

\$999,200.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT

STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION
PROGRAM SUPPLEMENT AND CERTIFICATION FORM
PSCF (REV. 01/2010)

Page ____ of ____

TO: STATE CONTROLLER'S OFFICE
Claims Audits
3301 "C" Street, Rm 404
Sacramento, CA 95816

10/18/2012

0600020555

REQUISITION NUMBER / CONTRACT NUMBER

061300000208

FROM:

Department of Transportation

SUBJECT:

Encumbrance Document

VENDOR / LOCAL AGENCY.

City of Reedley

CONTRACT AMOUNT:

\$999,200.00

PROCUREMENT TYPE:

Local Assistance

[illegible]

ADA Notice: For individuals with sensory disabilities, this document is available in alternate formats. For information, call (915) 654-6410 or TDD (916) -3880 or write Records and Forms Management, 1120 N. Street, MS-89, Sacramento, CA 95814.

SPECIAL COVENANTS OR REMARKS

1. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).
2. Any State and Federal funds that may have been encumbered for this project are available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the District Local Assistance Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

3. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.
4. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days of project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract.

Failure to do so will cause a delay in the State processing invoices for the construction phase. Please refer to Section 15.7 "Award Package" of the Local Assistance Procedures Manual.

5. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations for Federal aid projects, or encumbrances for State funded projects, as well as to suspend invoice payments for any on-going or future project by ADMINISTERING AGENCY if

SPECIAL COVENANTS OR REMARKS

PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

6. The Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-assisted contract or in the administration of its DBE Program Implementation Agreement. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Federal-assisted contracts. The Administering Agency's DBE Implementation Agreement is incorporated by reference in this Agreement. Implementation of the DBE Implementation Agreement, including but not limited to timely reporting of DBE commitments and utilization, is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Administering Agency of its failure to carry out its DBE Implementation Agreement, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
7. As a condition for receiving federal-aid highway funds for the PROJECT, the Administering Agency certifies that NO members of the elected board, council, or other key decision makers are on the Federal Government Excluded Parties List System (EPLS).



REEDLEY CITY COUNCIL

- ☐ Consent
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☒ Public Hearing

ITEM NO: 9

DATE: 11/13/2012

TITLE: INTRODUCE ORDINANCE NO. 2012-005, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REEDLEY ADDING SECTION 7-7-11 THROUGH SECTION 7-7-18 TO CHAPTER 7, OF TITLE 7, OF THE REEDLEY MUNICIPAL CODE PERTAINING TO CABLE TELEVISION FRANCHISES

SUBMITTED: Nicole R. Zieba
City Manager

RECOMMENDATION

That the City Council introduce Ordinance 2012-005 and hold a public hearing on the potential changes to the Reedley Municipal Code governing cable television franchises.

BACKGROUND

In 2006, the State legislature passed AB 2957, known as the Digital Infrastructure and Video Competition Act (DIVCA), which created a new process for cable television franchises. Prior to DIVCA, each local municipality throughout the State had their own franchise agreement with cable television providers. With the passage of DIVCA, in 2007, the State created a Statewide franchise for cable television franchise holders. Over time, as current local municipal franchises expire, cable providers are covered under a master Statewide franchise.

The Reedley Municipal Code governs cable franchise holders in Reedley, covering topics ranging from the amount of franchise fee a provider must pay, to customer service standards and audit authority of the City. The statewide franchise provides for most of the same provisions, and in the case of Reedley, the franchise fee called for in the Statewide franchise is identical to that imposed on franchise holders in the Municipal Code, meaning that the revenue the City receives in cable television franchise fees will remain the same a franchise holders switch over to the Statewide franchise.

Comcast is the cable television provider of record in the City of Reedley. Their cable franchise Agreement expired in September, 2012. As of the date of expiration, they are now covered under the Statewide franchise in the City of Reedley. The City's Code should be updated to reflect the addition of statewide franchises within City limits. The attached Ordinance adds Sections 7-7-11 through 7-7-18 to the existing cable franchise section (Title 7, Chapter 7). Sections 7-7-14 and 7-7-18 add new provisions that are specific to Public, Education, and Government (PEG) channels. These are channels which are open to the public, school

districts and colleges, and municipalities to show their own content and recorded programming.

FISCAL IMPACT

There is no direct fiscal impact to the majority of additions to the Code. If the Council deems that PEG channels are desirable and calls upon the statewide franchise holder to provide an additional 1% of annual revenues to support PEG in Reedley, the City will receive an estimated additional \$20,000 annually to be used for PEG-related capital purposes only, such as cameras, recording equipment, relay devices, etc.

COMMITTEE/COMMISSION REVIEW/ACTIONS: N/A

ATTACHMENTS

1. Ordinance No. 2012-005

Motion: _____

Second: _____

ORDINANCE NO. 2012-005

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REEDLEY ADDING SECTION 7-7-11 THROUGH SECTION 7-7-18 TO CHAPTER 7, OF TITLE 7, OF THE REEDLEY MUNICIPAL CODE PERTAINING TO CABLE TELEVISION FRANCHISES

The City Council of the City of Reedley does hereby ordain as follows:

Section 1. Sections 7-7-11 through 7-7-18 of the Reedley Municipal Code are hereby added to read as follows:

7-7-11: Provisions Applicable to State Franchise Holders; Purpose and Authority:

Under State law effective January 1, 2007, the California Public Utilities Commission (PUC) has the sole authority to grant State franchises to provide video service. Pursuant to this State law, the City has certain rights and responsibilities with respect to state franchise holders, which include the receipt of a franchise fee and a fee for public, educational and government (PEG) purposes, and the authority to establish and enforce penalties for violations of customer service rules. The City retains authority to regulate the City's current cable franchise in accordance with this chapter and the cable franchise currently in effect until such time as the cable franchisee no longer holds a City franchise or is no longer operating under a current or expired City franchise.

7-7-12: Definitions:

For the purposes of this chapter, the following words shall have the following meanings:

"Gross revenue" shall have the meaning ascribed that term in Section 5860 of the California Public Utilities Code.

"Holder" shall have the meaning ascribed that term in Section 5860 of the California Public Utilities Code.

"State franchise" shall have the meaning ascribed that term in Section 5860 of the California Public Utilities Code.

"Video service" shall have the meaning ascribed that term in Section 5860 of the California Public Utilities Code.

7-7-13: Franchise Fee:

For any State franchise holder operating within the boundaries of the City, there shall be a fee paid to the City equal to five percent (5%) of the gross revenue received from all services provided within the boundaries of the City by that State franchise holder or as established by State law.

7-7-14: PEG Fee:

For any State franchise holder operating within the boundaries of the City, there shall be a fee paid to the City equal to one percent (1%) of the gross revenue received from all services provided within the boundaries of the City by that State franchise holder or as established by State law, which fee shall be used by the City for PEG purposes consistent with State and Federal law.

7-7-15: Audit authority:

Not more than once annually, the City Manager or his or her designee may examine and perform an audit of the business records of a State franchise holder to ensure compliance with Sections 7-7-13 and 7-7-14.

7-7-16: Customer service penalties under State franchise:

- (a) Applicable Law. Any State franchise holder shall comply with all applicable State and Federal customer service and protection standards pertaining to the provision of video service.
- (b) Penalties for Violation. The City Manager or his or her designee shall monitor the compliance of State franchise holders with respect to State and Federal customer service and protection standards. The City Manager shall provide the State franchise holder written notice of any material breaches of applicable customer service standards, and will allow the State franchise holder thirty (30) days from receipt of the notice to remedy the specified material breach. Material breaches not remedied within thirty (30) days will be subject to the following penalties to be imposed by the City:
 - (1) For the first occurrence of a violation, a fine of five hundred (\$500.00) shall be imposed for each day the violation remains in effect, not to exceed one thousand five hundred dollars (\$1,500.00) for each violation.
 - (2) For each violation of the same nature within twelve (12) months, a fine of one thousand dollars (\$1,000.00) shall be imposed for each day the violation remains in effect, not to exceed three thousand dollars (\$3,000.00) for each violation.
 - (3) For a third or further violation of the same nature within twelve (12) months, a fine of two thousand five hundred dollars (\$2,500.00) shall be imposed for each day the violation remains in effect, not to exceed seven thousand five hundred dollars (\$7,500.00) for each violation.
- (c) Appeal Procedure. A State franchise holder may appeal a penalty assessed by the City Manager to the City Council within thirty (30) days of an assessment. The City Council shall hear all evidence and relevant testimony and may uphold, modify, or vacate the penalty. The City Council's decision regarding the imposition of a penalty pursuant to this section shall be final. In the absence of an appeal, the imposition of the penalty shall be deemed final thirty (30) days after the assessment.

7-7-17: City response to State franchise applications:

- (a) Applicants for State franchises within the boundaries of the City must concurrently provide copies to the City of any application or amendments to applications filed with the PUC. One complete copy must be provided to the City Manager.
- (b) Within thirty (30) days of receipt, the City Manager will provide any appropriate comments to the PUC regarding an application or amendment to an application for a State franchise.

7-7-18: PEG channel capacity and interconnectivity:

State franchisees shall provide the PEG channels required by California Public Utilities Code Section 5870 and satisfy the interconnectivity provisions of that section.

Section 2. This Ordinance shall take effect and be in full force thirty (30) days from and after its adoption.

Section 3. The City Clerk is hereby directed to cause a summary of this Ordinance to be published by one insertion in a newspaper of general circulation in the community at least five (5) days prior to adoption and again fifteen (15) days after its adoption. If a summary of the ordinance is published, then the City Clerk shall cause a certified copy of the full text of the proposed ordinance to be posted in the office of the City Clerk at least five days prior to the Council meeting at which the ordinance is adopted and again after the meeting at which the ordinance is adopted. The summary shall be approved by the City Attorney.

I hereby certify that the foregoing Ordinance No. 2012-005 was introduced and given first reading at a regular meeting of the City Council of the City of Reedley held on the 13th day of November, 2012, and was thereafter duly adopted at a regular meeting of said City Council held on the 27th day of November, 2012, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Mary L. Fast, Mayor

ATTEST:

Sylvia Plata, City Clerk



REEDLEY CITY COUNCIL

- ☐ Consent
- ☒ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

ITEM NO: 10

DATE: 11/13/2012

TITLE: APPROVE A TEMPORARY WATER SUPPLY AGREEMENT BETWEEN THE CITY OF REEDLEY AND THE CITY OF ORANGE COVE

SUBMITTED: Nicole R. Zieba
City Manager

RECOMMENDATION

That the City Council approve the Temporary Water Supply Agreement with the City of Orange Cove.

BACKGROUND

The City of Orange Cove is being dramatically impacted by the de-watering project in the Friant-Kern Canal and has requested that the City of Reedley agree to be a back-up water source from December 1, 2012, through February 28, 2013. The City of Orange Cove's Engineering firm, Yamabe & Horn, has provided the attached memo describing the need and intent of this request. Reedley staff and attorney have drafted the attached Temporary Agreement to govern the substantive terms under which water would be supplied.

At this time, it is unknown whether the City of Orange Cove will actually need any water from the City of Reedley. If it is needed, however, there will be no impact to the City's ability to provide water to the Reedley community.

FISCAL IMPACT

The City's water enterprise fund will be held harmless on this transaction, as Orange Cove will cover all costs necessary for permitting, equipment installation, and equipment removal. Orange Cove will also pay market rate for each acre foot of water sent to that City. In addition, should Orange Cove fail to meet the termination deadline of the Agreement and require water past the deadline, Orange Cove is required to pay an additional \$1,000 fee per day until water is no longer needed.

COMMITTEE/COMMISSION REVIEW/ACTIONS: N/A

ATTACHMENTS

1. Letter and report from Yamabe & Horn Engineering, Inc.
2. Temporary Water Supply Agreement



MEMORANDUM

TO: Nicole R. Zieba, Reedley City Manager

FROM: Gary D. Horn, Orange Cove City Engineer

DATE: November 7, 2012

SUBJECT: Temporary Water Supply Agreement between the City of Reedley and City of Orange Cove

The City of Orange Cove obtains all of its water from the Friant Kern Canal. Orange Cove must find alternate sources of water for the planned shut down of the canal for maintenance. The City has obtained ground water from area farmers for a supply. I have attached a report with additional information and a map showing the route for the pipeline.

The City of Orange Cove requests that the City of Reedley provide a secondary source to be used in the event that the ground water wells can not meet the demand. The connection would be made to your system at the intersection of Buttonwillow and Parlier Avenues. The connection will be to your standards and requirements, and we will install a meter and back-flow preventer at that location.

The City Council will consider the draft Agreement at its meeting of November 7, 2012. Staff is recommending approval.

12-253\reedley memo



CITY OF ORANGE COVE

**EMERGENCY WATER SUPPLY FOR
FRIANT-KERN CANAL 2012-2013 DEWATERING**

November 7, 2012

Introduction

The City of Orange Cove receives all of its water supply from surface water from the Bureau of Reclamation delivered through the Friant-Kern Canal. The Friant Water Authority has scheduled a de-watering of the Friant-Kern Canal this winter to eradicate the Western Watermilfoil, an invasive aquatic weed that has infested the canal. The shutdown for the City of Orange Cove is planned for at least 120 days beginning November 1, 2012. The shut-down could last longer depending on how long it will take for the chemicals applied in the canal to dissipate to safe levels before the City can use the canal water again.

We believe this weed is responsible for the damage to the City's Water Treatment Plant over the past two years.

Existing Storage

The City has three unlined raw water storage basins that it uses during periodic shutdowns of the canal for maintenance. The storage basins have a capacity of 44.3 million gallons (mg). Based on the five-year average demand for the period of December through February and taking into account evaporation and percolation, these basins will supply the city with raw water for 24 days.

Existing City Wells

The City has six wells that were previously used to supplement surface water received from the Friant-Kern Canal. Use of these wells was discontinued in 2004. The City recently re-visited the wells and found that only 2 are operational and those 2 produced about 20 gallons per minute (gpm) each. These wells are not considered as a viable source of ground water.

Agricultural Wells

There are numerous agricultural wells in the areas adjacent to the city. The City has obtained agreements from area land owners to purchase water from these wells during the canal maintenance period. These wells are typically 200 to 300 feet deep and drilled to the top of the underlying granite bedrock. The wells will produce between 100 to 400 gpm. These wells are also typically high in nitrates and would have to be treated before being used by the City's customers.

The wells are usually located adjacent to the turnouts for receiving irrigation water from the Orange Cove Irrigation District. (OCID). The OCID has agreed to allow the wells to be re-plumbed to flow into their distribution system. OCID will not be delivering any irrigation water in their system during the Friant-Kern Canal shut-down. A temporary connection will be made to the OCID pipeline to

allow the pumped agricultural water to flow into the City's existing raw water storage basins. Two temporary pumps will be needed to transfer the water from the OCID system to the storage basin. The pumps will be capable of delivering 1,500 gpm. The temporary pipelines will be 8-inch diameter aluminum pipe with Vitalic joints. The pipe will be laid on the ground.

Nitrate Removal

It is anticipated that the groundwater from the agricultural wells will be high in Nitrates. Wells tested in the area report Nitrate measurements between 60 and 200 parts per million (ppm). The Maximum Contaminate Level (MCL) for Nitrates established by the California Department of Public Health is 45 ppm.

The City will utilize a Reverse Osmosis removal process for the ground water to keep the treated water below the MCL for Nitrates.

Reedley Connection

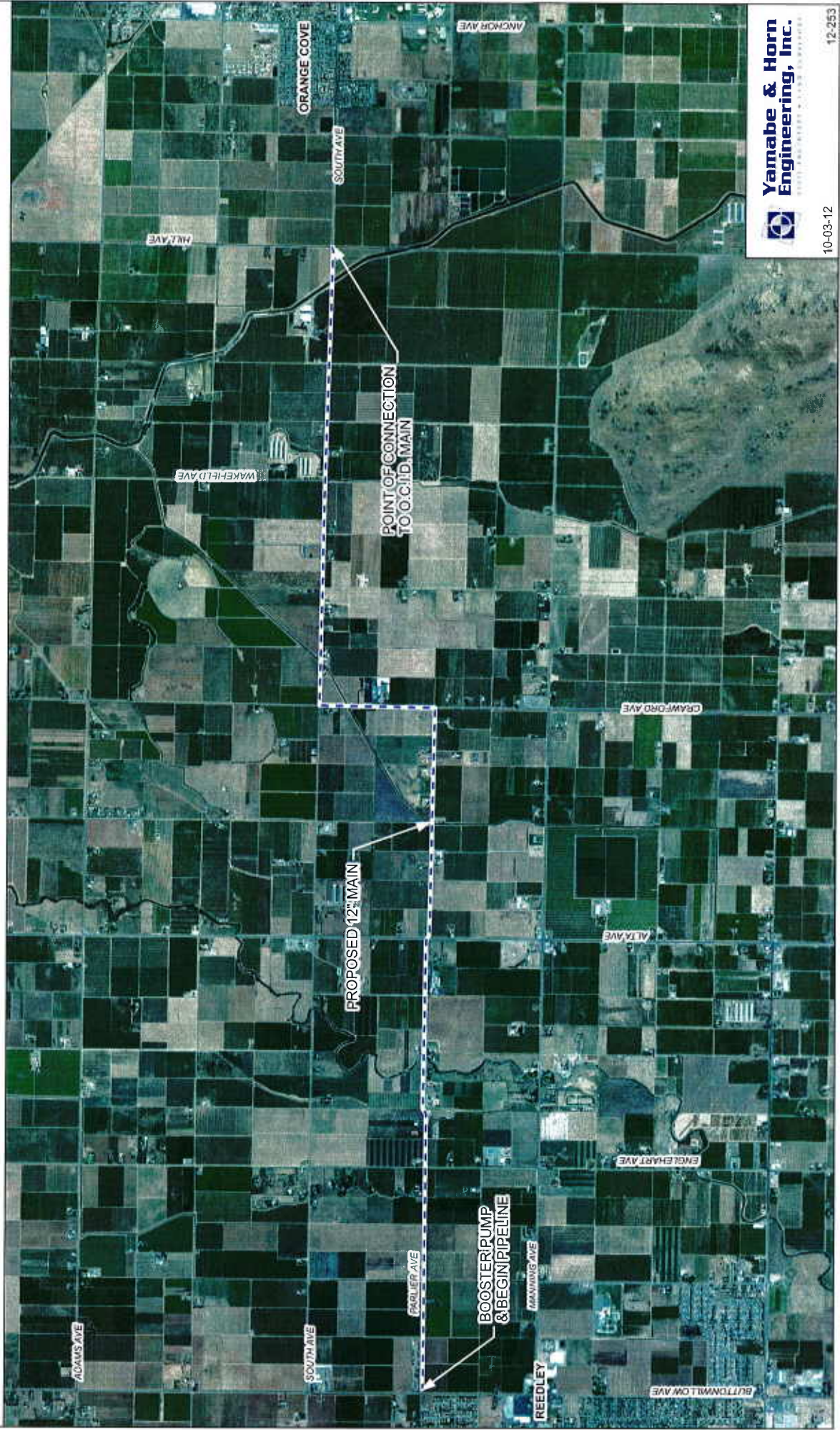
The City desires to have the ability for a second source of water in case the agricultural wells can not produce the volume of water needed for the length of the maintenance period. A connection to the City system would be made at the intersection of Buttonwillow Avenue & Parlier Avenue. An above ground pipeline would be installed along Parlier, Crawford and South Avenues to the intersection of South Avenue and Hill Avenue. At that location a connection would be made to the Orange Cove Irrigation District facilities and water transported to the City raw water storage basins.

CITY OF ORANGE COVE
EMERGENCY WATER
SUPPLY PROJECT



1 inch = 2,000 feet

REEDLEY CONNECTION



TEMPORARY WATER SUPPLY AGREEMENT BETWEEN THE CITY OF REEDLEY AND CITY OF ORANGE COVE

This Temporary Water Supply Agreement ("Agreement") is made this ____ day of November, 2012, by and between the City of Reedley ("Reedley") and the City of Orange Cove ("Orange Cove"). Reedley and Orange Cove are hereinafter sometimes referred to individually as the "Party" and together as the "Parties."

RECITALS

WHEREAS, the purpose of this Agreement is to supply water to Orange Cove, on a temporary basis, to prevent or mitigate an emergency situation occurring in the City of Orange Cove; and

WHEREAS, both parties to this Agreement are general law cities of the State of California duly formed and operating under the laws of the state, and are empowered to enter into contracts to manage water supply available for the benefit of their constituents; and

Whereas, Orange Cove receives a water supply, for municipal purposes, from the Friant Division of the Central Valley Project pursuant to a contract with the United States Bureau of Reclamation ("CVP Water"); and

WHEREAS, the CVP Water is delivered to Orange Cove via the Friant-Kern Canal; and

WHEREAS, the Friant-Kern Canal will be out of service for repairs between November 1, 2012 and February 28, 2013 ("Repair Period"); and

WHEREAS, as a result of the repairs being made to the Friant-Kern Canal, Orange Cove will not be able to receive CVP Water during the Repair Period; and

WHEREAS, the lack of adequate water will create an emergency situation for Orange Cove and create a threat to the public health and safety of Orange Cove residents; and

WHEREAS, Orange Cove has made other arrangements for a primary source and a secondary source of water to be supplied to Orange Cove during the Repair Period; and

WHEREAS, Orange Cove desires to have Reedley provide a third source of water during the Repair Period that would be available only if the primary and secondary sources of water become unavailable during the Repair Period; and

WHEREAS, Reedley has municipal water available and is willing to be the third available source of water to Orange Cove and supply water, on a temporary basis, pursuant to the terms and conditions set forth in this Agreement; and

WHEREAS, Reedley and Orange Cove acknowledge that Reedley's temporary sale of water as provided herein in no way contemplates the permanent transfer of any or all of Reedley's entitlement or contractual rights to any water rights or water supply that Reedley holds as of the date of this Agreement or in the future.

NOW, THEREFORE, in view of the above Recitals, and in consideration of the mutual promises set forth herein, Reedley and Orange Cove hereby agree as follows:

AGREEMENT

1. **Recitals.** The recitals and facts set forth above are true and correct and are a substantive part of this Agreement.

2. **Term.** This Agreement shall commence once duly authorized and executed by both Parties, and shall terminate upon completion of the repairs to the Friant-Kern Canal herein described above, or on February 28, 2013, whichever is earlier (hereinafter "Term"). The Parties may mutually agree to extend the Term in writing signed by both Parties.

3. **Delivery and Cost of Water to Orange Cove.**

a. During the Term of this Agreement, Reedley shall make up to 1.77 acre feet of water per day, with a maximum delivery rate of 400 gallons per minute, available for delivery to Orange Cove, pursuant to a schedule approved by the Parties.

b. Orange Cove shall be solely responsible for the installation of all pipeline and related facilities and improvements, including obtaining any necessary easements, permits, and/or agreements, necessary to convey the water from Reedley to Orange Cove and for the maintenance thereof. Such installation shall include water meters and other equipment needed to allow Reedley to monitor and calculate the water delivered to Orange Cove, and equipment needed to preserve the integrity of the Reedley water system (e.g. backflow preventers and air gaps). Any installation of equipment, facilities, or improvements within the City of Reedley shall be subject to Reedley's prior approval. The pipeline shall originate on City of Reedley property at the corner of Buttonwillow and Parlier Avenues, and terminate at the Orange Cove _____. The point of delivery of water to Orange Cove shall be at the point of origination of the above described pipeline. Reedley shall monitor and record the amount of water delivered to Orange Cove during the Term.

c. Within five (5) days after commencement of the Term, Orange Cove shall contact Reedley and the Parties shall develop a mutually agreeable schedule for water deliveries during the Term.

d. Once water is delivered to the above described pipeline, Orange Cove shall become the owner of said water and shall be responsible for ensuring the water reaches its ultimate destination and shall be solely responsible for the quality and potability of said water. Orange Cove acknowledges that Reedley has notified Orange Cove of elevated levels of TCP in the water anticipated to be supplied under this Agreement, and such notification and this provision satisfies any and all legal requirements on Reedley for such notification to Orange Cove.

e. Notwithstanding anything to the contrary in this Agreement, the Parties agree that Reedley may halt or restrict the delivery of water to Orange Cove under this Agreement if: (i) such delivery negatively impacts water pressure or volume to Reedley customers; (ii) Reedley determines that doing so is necessary to avert or minimize a potential threat to public health or safety; or (iii) Reedley determines that doing so is necessary to maintain the integrity of the Reedley water system. Reedley

shall immediately notify Orange Cove of any such need to halt or restrict the delivery of water or any malfunction or repair that may impair Reedley's ability to deliver water in accordance with this Agreement, and Reedley shall act diligently to correct any such malfunction or effectuate such repair. Reedley shall not be liable to Orange Cove for breach of this Agreement or any damages that may result from halting or restricting the delivery of water under the circumstances provided in this paragraph.

f. Orange Cove shall compensate Reedley for the actual amount of water provided during the Term of this Agreement at the rate of \$322.54 per acre foot. Internal fees of Reedley are not part of this purchase and transfer and therefore such fees, if any, are not included in this or any other agreement. Notwithstanding any extension of the Term of this Agreement, Orange Cove shall pay an additional \$1,000.00 per day for each day of actual water delivery by Reedley after February 28, 2013.

g. Orange Cove shall promptly notify Reedley of the completion of the repairs to the Friant-Kern Canal and the resumption of CVP Water delivery to Orange Cove, and notify Reedley when no additional water deliveries are necessary.

h. Within 30 days after termination of this Agreement, Reedley shall provide Orange Cove with a final accounting for all water delivered to Orange pursuant to this Agreement, which accounting shall include the total amount of water delivered, the rate per acre foot, and a total amount due.

i. Orange Cove shall compensate Reedley for the total amount due within 30 days after the final accounting is provided by Reedley.

j. Orange Cove shall be solely responsible for removing or abandoning in place the pipeline and related facilities and improvements installed for the conveyance of water from Reedley to Orange Cove under this Agreement, including all costs and obtaining any necessary permits and approvals associated therewith.

4. Approvals.

a. Orange Cove shall be solely responsible for the cost of obtaining any and all approvals and/or permits legally required for the purchase, sale, transfer and delivery of water under this Agreement.

b. The performance by both parties to this Agreement is contingent upon approval of the City Council of Reedley and the City Council of Orange Cove. Additionally, this Agreement shall not become effective or be binding upon either Party unless and until Orange Cove shall have obtained all necessary approvals and/or permits from regulatory agencies having appropriate jurisdiction, including without limitation, the California Department of Public Health, the California Regional Water Quality Control Board for the Central Valley, LAFCo, and any other local, state and federal regulatory agencies from which approval is required for the purchase, sale, transfer and delivery of water as provided in this Agreement.

c. Orange Cove shall be solely responsible for requesting and obtaining any and all necessary approvals and/or permits for the delivery of water as provided in this Agreement, including without limitation, completing and adopting any and all analyses, assessments, acts and documents required by all applicable environmental laws and statutes, including without limitation, the California Environmental Quality Act (CEQA), and sufficient to comply with those requirements to obtain required

approvals. Reedley shall cooperate with Orange Cove in obtaining such approval and/or permits.

5. Miscellaneous

a. Warranty. Each Party hereto warrants that each of the individuals executing this Agreement has authority to enter into this Agreement on behalf of said Party.

b. Notices. Any notice to be given hereunder to either Party shall be in writing and shall be given either by personal delivery (including express or courier service), telecopier transmission, or by first class mail, postage prepaid and addressed as follows:

To: Orange Cove City Manager
City of Orange Cove
633 Sixth Street
Orange Cove, CA 93646
Facsimile: 559-626-4653

To: Reedley City Manager
City of Reedley
1733 9th Street
Reedley, CA 93654
Phone: (559)637-4200
Fax: (559)637-2139

c. Indemnity. Orange Cove shall protect, defend, indemnify and hold Reedley, its officials, officers, agents, employees, volunteers, and consultants harmless from and against any and all losses, claims, liens, demands, liability, damage, and causes of action of every kind and character on account of personal injuries or death or damages to property and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, connected with, or arising directly or indirectly out of the performance or non-performance by either Party hereunder, except to the extent such losses, claims, liens, demands, liability, damage, and causes of action is caused in whole or in part by the willful misconduct or negligence of Reedley.

The provisions of this Section (c.) shall survive termination or expiration of this Agreement.

d. Insurance. Evidence of insurance shall not be required between the Parties as policies & coverages are held through the Central San Joaquin Valley Risk Management Authority. **Should Orange Cove use contractors for any work on the Project, Reedley shall require and verify that all contractors and their subcontractors ('Contractors/Subcontractors') maintain insurance meeting all the requirements stated in Exhibit A of this Agreement. Orange Cove shall furnish Reedley with original certificates and amendatory endorsements, or copies of the applicable insurance language, effecting coverage required by this Agreement. All certificates and endorsements are to be received and approved by Reedley before work commences.**

Approval of this Agreement is for the benefit of Orange Cove. Therefore, Orange Cove shall defend, indemnify and hold Reedley, its officials, officers, agents, employees, volunteers, and consultants harmless from any and all claims, actions or proceedings against Reedley to attack, set

aside, void, or annul Reedley's approval of this Agreement, including any challenges to the associated environmental review, and for any and all costs, attorney's fees, and damages arising therefrom incurred by Reedley (collectively "Claim"). Reedley shall promptly notify Orange Cove of any Claim, and Reedley shall fully cooperate in the defense. If Reedley fails to promptly notify Orange Cove of any Claim or if Reedley fails to fully cooperate in the defense, Orange Cove shall not thereafter be responsible to defend, indemnify, or hold Reedley harmless. Nothing in this provision shall obligate Reedley to defend any Claim.

d. Successors and Assigns. The terms and provisions of this Agreement shall bind and shall inure to the benefit of the successors and assigns of the respective parties thereto.

e. Amendments. Amendments to this Agreement shall be effective only if in writing, and then only when signed by the authorized representatives of the both Parties.

f. Force Majeure. Except as otherwise provided herein, all obligations of the Parties hereto shall be suspended so long as, and to the extent that, the performance thereof shall be prevented by earthquakes, fires, tornadoes, facility failure, floods, drowning, strikes, other casualties or acts of God, orders of court or governmental agencies having jurisdiction over the subject matter thereof or other events or causes beyond the control of the Parties hereto.

g. Specific Performance. It is agreed by the parties hereto that in this arid region the water delivered herein is of unique value and that, in the event of breach of this Agreement, specific performance of the Agreement in accordance with its terms and conditions shall be appropriate relief.

h. Consistent with the provisions of Water Code Sections 475 and 1244, both Parties agree that neither this transfer nor this Agreement is evidence of the availability of surplus water beyond the terms of this Agreement or lack of beneficial use of the water involved in this Agreement, and this Agreement shall not be used as evidence to the contrary, and the Parties shall not contend otherwise.

i. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California.

j. Severability. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent allowed by law.

k. Attorneys' Fees. If any action or proceeding is brought by one Party against another to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to recover all its costs and expenses, including, without limitation, reasonable attorneys' fees and expert witness fees.

l. Time is of the essence of this Agreement and each provision hereof.

(SIGNATURES ON NEXT PAGE)

IN WITNESS WHEREOF, the parties execute this Agreement on this day and year first above mentioned.

CITY OF REEDLEY

CITY OF ORANGE COVE

By: _____
Nicole Zieba, City Manager

By: _____
Samuel Escobar, City Manager

Dated: November ____, 2012

Dated: November ____, 2012

Attest:

Attest:

Sylvia Plata, City Clerk

June Bracamontes, City Clerk

Attachment Exhibit A - Minimum Scope and Limit of Insurance for
Contractors/Subcontractors

EXHIBIT A

MINIMUM SCOPE AND LIMIT OF INSURANCE FOR CONTRACTORS/SUBCONTRACTORS

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01, including products and completed operations, with limits of no less than **\$2,000,000** per occurrence for bodily injury, personal injury, and property damage. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employers' Liability insurance with a limit of no less than **\$1,000,000** per accident for bodily injury or disease.
4. **Builder's Risk** (Course of Construction) insurance utilizing an "All Risk" (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions.
5. **Contractors' Pollution Legal Liability** and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than **\$1,000,000** per occurrence or claim, and **\$2,000,000** policy aggregate.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **The City of Reedley ('City'), its officers, officials, employees, and volunteers are to be covered as additional insureds** on the CGL and automobile liability policies with respect to liability arising out of with respect to liability arising out of work or operations performed by or on behalf of the Contractor/Subcontractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).
2. For any claims related to this project, the **Contractor/Subcontractor insurance coverage shall be primary** insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the City.

Builder's Risk (Course of Construction) Insurance

Contractor/Subcontractor may submit evidence of Builder's Risk insurance in the form of Course of Construction coverage. Such coverage shall **name the City as a loss payee** as their interest may appear.

If the project does not involve new or major reconstruction, at the option of the City, an Installation Floater may be acceptable. For such projects, a Property Installation Floater shall be obtained that provides for the improvement, remodel, modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery and equipment. The Property Installation Floater shall provide property damage coverage for any building, structure, machinery or equipment damaged, impaired, broken, or destroyed during the performance of the Work, including during transit, installation, and testing at the City's site.

Claims Made Policies

If any coverage required is written on a claims-made coverage form:

1. The retroactive date must be shown, and this date must be before the execution date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of contract work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective, or start of work date, the Contractor must purchase extended reporting period coverage for a minimum of three (3) years after completion of contract work.
4. A copy of the claims reporting requirements must be submitted to the City for review.
5. If the services involve lead-based paint or asbestos identification/remediation, the Contractors Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City.

Waiver of Subrogation

Contractor/Subcontractor hereby agrees to waive rights of subrogation which any insurer of Contractor/Subcontractor may acquire from Contractor/Subcontractor by virtue of the payment of any loss. Contractor/Subcontractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. **The Workers' Compensation policy shall be endorsed with a waiver of subrogation** in favor of the City of Reedley for all work performed by Contractor/Subcontractor, its employees, agents and subcontractors.

Verification of Coverage

Orange Cove shall furnish Reedley with original certificates and amendatory endorsements, or copies of the applicable insurance language, effecting coverage required by this contract. All certificates and endorsements are to be received and approved by Reedley before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive Contractor/Subcontractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.



REEDLEY CITY COUNCIL

- ☐ Consent
- ☒ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

ITEM NO: 11

DATE: 11/13/2012

TITLE: APPROVAL OF A SERVICES AGREEMENT WITH PAYLOCITY CORPORATION
FOR A PAYROLL, SCHEDULING, AND TIME-KEEPING AUTOMATED SYSTEM
AND RELATED SERVICES

SUBMITTED: Paul A. Melikian, Director of Finance & Administrative Services *pm*

APPROVED: Nicole R. Zieba, City Manager *nz*

RECOMMENDATION

It is recommended that the City Council approve the attached services agreement with Paylocity Corporation for payroll, time-keeping, and related services.

EXECUTIVE SUMMARY

The proper management and tracking of payroll and benefits expenditures is of paramount importance to a municipality, since, typically 70%-80% of its operating resources are used for personnel. The City has used its existing in-house payroll system since 1991, when the Multiple Operations Management (MOM) software was implemented as the agency's financial system. The payroll module in the software and supporting City payroll processes have not changed over the 21 year period, and no longer meet organizational needs of Federal & State wage reporting, IRS tax regulations, increased accountability, real-time reporting, dynamic scheduling tools, and risk management activities. The City exhaustively evaluated four separate payroll providers, spanning from one of the largest companies in the industry to a small start-up. Ultimately, staff settled on the product and service offered by Paylocity, which is considered a mid-size payroll company.

The approval of the attached services agreement will allow the City to move its payroll, time keeping and related services to a secure outside vendor at a cost of roughly \$20,852 annually. The City will see a positive return on investment almost immediately through reduced staff time associated with payroll processes, scheduling and benefits administration efficiencies, and increased accountability through bio-metric and computer based time-keeping. The annual cost will be split evenly (approximately \$4,170 each) between five operating funds; 1) General Fund, 2) Public Safety Sales Tax, 3) Water, 4) Sewer, and 5) Solid Waste enterprises. Paylocity system moves the City away from a legacy of paper time cards and Excel spreadsheets into a completely web-based system, replaces traditional time clocks with biometric units and gives supervisors real-time information on schedules, missed or late punches, and time reports.

BACKGROUND

The catalyst for this change started last year with the Police Department seeking a scheduling system that would tie in to City payroll to meet the needs of their 24/7 operation. Scheduling for police shifts is currently done on Excel spreadsheets that need to be updated manually and access is limited to posted hard copies. Changes to schedules are not easily communicated, resulting in avoidable inconveniences for staff and costly errors when staff availability is not maximized. A special purpose software was identified by the Police Department that was built from the ground up for law enforcement agencies. Although the software would have met all Police Department scheduling and tracking needs, it did not address the needs of the entire organization, and would have created a situation where several separate systems would have to be kept up to date with payroll information. Under Paylocity, all payroll/benefits, time-keeping, and related services will be under one 'roof'. The personnel expenditure accounts in the City's financial system (and resulting Department operating budgets) will be updated every pay period through an automated export/import process.

Staffing Considerations

Currently, typically just one person in each Department knows how to process payroll for their staff before it is submitted to Administrative Services. Each department's process and rules are different. Some of this risk could be alleviated with cross-training; however in some cases alternate staff is simply not available. In addition, a much higher risk for the organization is that there is only one person in the City that can complete the entire City payroll; comprised of getting the time sheets entered into the payroll module, making special adjustments, running checking reports, transmitting ACH files to the bank, printing manual checks, and completing required reporting for CalPERS, EDD, and Social Security.

If any of the key people in the Departments is unexpectedly out, the result is a time-intensive exercise for someone else to perform the department-specific procedures, amplifying the probability of errors occurring. Paylocity will allow the City to standardize payroll procedures across Departments and allow for cross-departmental and third-party support to individuals needing to fill-in at the Department or Payroll Administrator level.

Benefits & Features

- Cloud Computing (no data stored on City Servers)
- Manager Self-Service including advanced supervisor scheduling tools and web-dashboard.
- Employee Self-Service, including 24/7 access to specific payroll, HR, and benefits information.
- Integrated time-off requests
- Real-time Reporting
- Document storage with unlimited payroll history.
- Tax Filing
- Biometric time clocks ensure accountability and real-time employee information
- Telephone 'time-clock' for offsite employees
- Improved disaster recovery, encryption, and back-up features that the current system does not have.
- Notifications to Employees
- City property (assets) tracking by employee
- Integrated benefits module and dependent tracking
- COBRA and Leave Tracking
- OSHA/Safety Tracking
- Customized date-triggered notifications (pending reviews, benefit eligibility, birthdays, etc)
- Events, skills, and training tracking
- Unlimited Training
- New hire checklist

FISCAL IMPACT

No new appropriations will be required to convert to the new payroll and time-keeping system this fiscal year. The net additional cost to the City this fiscal year will be \$17,845, which includes one-time implementation costs, and split over the five operating funds mentioned earlier for \$3,569 each. No new appropriations are needed in four of the five funding sources; General Fund, Water, Sewer, or Solid Waste enterprises because of savings realized this year from discontinuing a maintenance contract for ESRI (City GIS system), and a re-negotiated lower payment for Blackboard Connect, the City's notification system. The final funding source is the Public Safety Sales Tax, of which the Council approved \$12,500 for the purchase of a special purpose scheduling system that will now be provided by Paylocity. Since the mid-year cost to each of the five funds is just \$3,569, Paylocity (as opposed to the original special purpose law enforcement software) will result in \$8,931 savings in this area of the Police Department Budget this fiscal year.

Current vs. New Cost

In order to understand the fiscal impact of the new payroll system, it is important to understand current costs. The City currently uses an average of 38.5 hours of staff time each pay period to collect and process payroll. Using an average of \$30/hour for salary & benefits, this equates to \$1,155 of staff time per pay period. In addition, the existing payroll module cost is \$115.75 per month with \$50 per month for supplies such as time cards, time sheets, toner etc. Therefore, the total approximate current cost for the City to process payroll in-house is \$2,668 per month or \$32,019 annually.

With the new system, it is very conservative to assume that the number of hours spent on payroll will decrease at least 50% or more after the implementation phase. Although this does not equate to a direct budgetary benefit, it does free up staff time to address other value-added tasks such as improving customer service response times or streamlining other processes.

Under the Paylocity system, the monthly ongoing cost for payroll & time-keeping would be \$1,738 per month. The reduced staff time associated with the payroll process would result in the dollar value of staff hours dropping to \$1,251 per month, for a total new cost to the City of \$2,989 per month, or \$35,868 annually. This results in an increase of \$3,849 to the annual cost of performing payroll and time keeping services; however this analysis ignores other, more significant benefits associated with the new time system that will inevitably result, such as: reduced liability for inaccurate IRS wage reporting; incorrect paid time; improved scheduling process; and improved oversight and scheduling communication in mission critical departments such as police and public works.

As part of this Services Agreement, the City has negotiated a two-year rate guaranty, and a ceiling on future price increases of 4.00%. It should be noted that Paylocity does not have a history of increasing their prices every year.

Implementation Costs

The City will incur \$7,417 in one-time costs to implement the system. \$5,481 of this amount is to Paylocity for the extensive initial setup and conversion process, with the remaining \$1,936 for installation of six web-based, biometric time clocks at various staff reporting locations.

ATTACHMENT

Services Agreement with Paylocity Corporation

Motion: _____ Second: _____

PAYLOCITY CORPORATION SERVICES AGREEMENT

The CLIENT, City of Reedley, is requesting Paylocity Corporation ("Paylocity") to provide CLIENT with payroll and related services as set forth in this Agreement. This Agreement encompasses the following General Terms and Conditions as well as the specific Terms and Conditions for the Services selected in the Services section below, all of which are incorporated as a material portion of the Agreement

TERMS AND CONDITIONS

FEE STRUCTURE AND PAYMENTS

1. The fees included in the Paylocity Quote for Service will be effective for a period of two years from the date of execution of this Agreement.
2. After two years, fees are subject to change upon notice to CLIENT but in no event will price increases exceed 4% per annum. Paylocity will invoice CLIENT for services performed. Invoices are due upon receipt.

CONFIDENTIALITY

Paylocity agrees to keep confidential any information provided by the CLIENT to the same degree it would with respect to its own confidential information and will use said information solely for the purposes of payroll and related services processing. Paylocity will not disclose this information to anyone without the permission of the CLIENT, or unless required to do so pursuant to legal process.

RESPONSIBILITIES

1. Paylocity will use due care in processing CLIENT's work, and shall be responsible for correcting errors which are caused by Paylocity equipment, processors, or employees in the course of their work.
2. Paylocity shall be responsible for the payment of any penalties and/or interest due resulting from errors or omissions committed by Paylocity while filing taxes on said CLIENT's behalf, or in the preparation of electronic files for Retirement Plan Reporting.
3. Paylocity will provide customer support from 7AM to 7PM CST daily, excluding weekends and Federal holidays.
4. Paylocity will make available to CLIENT all improvements, enhancements and modifications to its software as they are made generally available by Paylocity to its other CLIENTS.
5. CLIENT is solely responsible for the content and accuracy of all data input and then subsequently processed by Paylocity. CLIENT will submit to Paylocity its payroll and other data in a form, at a time and by the method specified by Paylocity. Because the accuracy of the payroll and other information is limited to the CLIENT's data, Paylocity is not responsible for CLIENT errors, wage and hour violations, employment discrimination, garnishment calculations or other employment policies which may violate the law. It is the CLIENT's responsibility to review the processed payroll and other information and to promptly identify any errors. If the data submitted to Paylocity is incorrect, incomplete, or not in proper form, then CLIENT agrees to pay Paylocity's additional charges then in effect for the corrections to said data.
6. Paylocity liability for any errors or omissions on its part shall be limited to actual damages incurred but under no circumstances, other than defined in part 2 of this section, shall exceed the charge for such service during the calendar year. PAYLOCITY CORPORATION SHALL NOT UNDER ANY CIRCUMSTANCES BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OR OTHER SIMILAR DAMAGES (INCLUDING LOST PROFITS) even if Paylocity has been advised of the possibility of such damages. Nothing in this Agreement creates or will be understood to create third party beneficiaries. CLIENT agrees that Paylocity has no obligations to third parties, including CLIENT'S employees and any third party agencies.
7. Except as specifically stated in the Agreement the software, web site and services are provided "AS IS" and there are no warranties, expressed or implied, including but not limited to any implied warranties of merchantability or fitness for a particular purpose.
8. Paylocity and CLIENT agree to abide by all applicable state, local and national laws in connection with the services. CLIENT agrees that they will not post to any application material that would be considered libelous, unlawful, inappropriate, offensive or disrespectful to others.
9. CLIENT will not also reverse engineer, disassemble, decompile or otherwise attempt to derive source code, trade secrets, or programming methods from the applications.
10. Subject to the limitations in part 6. of this section, Paylocity and CLIENT agrees to indemnify and hold each other harmless (including the City, trustees, officers, employees and volunteers) from and against all claims, damages, losses and expenses (including reasonable attorney fees) arising out of the work performed herein caused in whole or in part by the negligent act or omission of either party or their subcontractors, except where caused by the active negligence, sole negligence, or willful misconduct of the other party. Both parties agree that this Agreement shall in no way act to abrogate or waive any immunities available to the City or Paylocity under the Tort Claims Act of California. **FUNDING**
1. In regard to electronic funds transfers, CLIENT shall comply with and be subject to the Operating Rules of the National Automating Clearing House (NACHA) governing these methods of payment, as such rules shall, from time to time, be in effect among banks that participate in NACHA. CLIENT also acknowledges that, in order to put into effect the Services which include ACH transactions, CLIENT will be the Originator of the ACH transactions and will follow and be bound by the rules for ACH Originators as adopted from time to time by the NACHA. CLIENT agrees that it has assumed the responsibilities of an Originator under the ACH Rules and acknowledges that entries may not be initiated in violation of the laws of the United States. CLIENT agrees to indemnify and hold each Participating Bank and NACHA harmless from any claim incident to the operation of this plan arising from an act or omission of CLIENT.
2. For payrolls processed with total liabilities of less than \$1 million, Paylocity will debit CLIENTS bank account for all ACH transactions one day prior to check date and, as a result, requires all amounts to be available for withdrawal from CLIENT'S account at that time. In the event the total amount of funds are not available one banking day prior to check date, a \$100.00 USD fee is to be charged to CLIENT. CLIENT will then have until 2:00 p.m. Central Time on the date of notification to wire transfer these funds to Paylocity's bank account.
3. For payrolls processed with total liabilities of more than \$1 million, Paylocity will require a wire transfer of funds one day prior to check date.

4. If CLIENT fails to pay the taxes, direct deposits, employee payments or other charges, including fees, then CLIENT agrees to pay Paylocity for all costs of collection, including reasonable attorney fees, which may be associated with collection of the amounts due. Paylocity also may, at its sole option, terminate this Agreement and withhold any work in progress. This is in addition to any other rights Paylocity may have under this contract or under law. To secure the CLIENT's payment of all charges due under this Agreement, CLIENT grants Paylocity the right to set off with any funds retained by Paylocity for purposes of remitting payments or making payments to CLIENT employees, taxing authorities or other third party agencies. Paylocity also reserve the rights to reverse employee transactions and /or tax payments for which funds have not been received from CLIENT.

OWNERSHIP

Paylocity owns or licenses all rights, title and interest in and to the applications and the contents, including the software and documentation, Paylocity's trademarks, and all intellectual property rights in the foregoing (excluding portions of the Service provided by third party licensors). Software and services are made available only for CLIENT'S internal business purposes and are not transferable.

TERMINATION OF SERVICES

1. CLIENT is to notify Paylocity in writing at least 60 days in advance of termination. Paylocity will assess a termination fee equivalent to 2 months of the average billed amount if CLIENT terminates service without 60 days advance notice.
2. Data can be accessed after termination for an annual fee of \$3 per active employee with a minimum charge of \$500.

GENERAL TERMS

1. This Agreement shall be construed according to the laws of the State of California and constitutes the entire Agreement between the parties. No oral or other representations, warranties or agreements have been made in writing and signed by both parties. If any portion of this agreement is determined to be invalid, illegal or unenforceable, the remainder of the agreement shall nonetheless remain in full force and effect.
2. This Agreement may not be assigned by CLIENT to any third parties, other than successors, without the written consent of Paylocity.
3. Paylocity and CLIENT will not be responsible for failure to provide services or correct any condition beyond its reasonable control, including but not limited to any acts or omissions by any third party
4. CLIENT understands that this Agreement may be considered as an application for credit and hereby authorizes Paylocity to review credit of CLIENT including reports from credit bureaus, references, bank account status and other available financial information.
5. If CLIENT adds a Service following execution of this Agreement, CLIENT agrees to be bound by these Terms and Conditions as well as the separate Terms and Conditions of that Service.

SERVICES

Please indicate the Services selected by having an authorized signer initial in the space provided. CLIENT warrants that it has full power and authority to execute this Agreement and that it has chosen the Services initialed and has read and agreed to the Terms and Conditions for those Services contained in this Agreement.

Direct Deposit

CLIENT authorizes Paylocity to pay employees designated by CLIENT via Direct Deposit electronic funds transfer, amounts due and payable to them by CLIENT. CLIENT must retain and provide upon request copies of each employee authorization form for two (2) years after they expire.

Bank Checks

CLIENT authorizes Paylocity to pay employees designated by CLIENT via bank check drawn on a bank account maintained by Paylocity solely for this purpose.

Tax Filing

CLIENT authorizes Paylocity to perform payroll tax services that include the responsibility for tax deposits and timely filings of Federal, State and Local employment tax returns. Paylocity will serve as a "limited agent" for CLIENT in respect to tax filing, only for purposes of any required agency for deposits and filings with the Internal Revenue Service and/or any state reporting agency. Paylocity is not otherwise an agent of CLIENT, nor is Paylocity in partnership or otherwise affiliated with CLIENT'S business. CLIENT also grants Paylocity limited power of attorney to sign all obligatory and necessary forms to appropriate government channels and banks. CLIENT agrees to execute a "Reporting Agent Authorization" and "FEIN and State Info" in conjunction with using this service and agrees to provide timely information to Paylocity regarding changes in deposit frequencies and state unemployment rates in order for Paylocity to assume liability for any penalties and/or interest.

Time and Attendance

CLIENT authorizes Paylocity to make available the application for time tracking and reporting. Monthly billing will commence after training has been completed. Client will billed for the first month in full.

Benefits Administration

CLIENT authorizes Paylocity to make available the application for CLIENT to administer employee benefits, updating and communications. Monthly billing will commence the earliest month upon which 1) five or more CLIENT users have logged into the system 2) the date the system is made active for CLIENT employees or 3) the first of the month after ninety days from site creation.

Applicant Tracking

CLIENT authorizes Paylocity to make available the application for recruitment management. A user account is defined as a named licensed seat and is required to access this service. User accounts not transferrable and are not allowed to be shared among users or provided to any third party or individual.

Company Name _____

Authorized Officer' Name _____ Title _____
Print

Authorized Officer's Signature _____ Date _____



Paylocity Quote for Service

Prepared Exclusively for:	City Of Reedley	9/7/2012
	1719 9th Street Reedley Ca	eQuote 2012.08.c
Quote Presented By:	Janet Ypma	559-421-5600
Notes	This quote is valid for 30 days.	

Customer Information

# of Employees	164
# of Annual Processings	26
# Direct Deposits	-
# Paylocity Checks / OBC	-
# of States/Local - Tax Filing	1
# Time Keeping Employees	164
# of Benefit Enrollment Participants	

One-Time Implementation Fees

	<u>Base</u>	<u>Cost Per</u>	<u>Flat Fee</u>	<u>QTY</u>	<u>Bi-Weekly</u>
Payroll Implementation		\$ 2.45			\$401.05
Advanced Human Resources	\$ 250.00				\$250.00
Self Service Implementation					
Paylocity Enterprise Time and Expense		\$ 20.00		164	\$3,280.00
Telephony Implementation			\$ 500.00		\$500.00
General Ledger					\$500.00
Time Off Accrual	\$ 200.00				\$200.00
Retirement File Transfer Implementation	\$ 350.00				\$350.00

Total

\$5,481.05

Per Payroll Fees

	<u>Base</u>	<u>Cost Per</u>	<u>Min</u>	<u>QTY</u>	
Payroll Bundle - BW / SM	\$ 37.50	\$ 1.50		164	\$283.50
Payroll Processing					Included
Check Signing and Sealing					Included
Paylocity Checks					Included
Direct Deposit					Included
Tax Filing (Fed Plus 1st state)					Included
New Hire Reporting					Included
Comprehensive Training (Unlimited)					Included
Report Writer (Ad Hoc Reporting)					Included
Comprehensive Report Library					Included
Time Off Accruals					Included
Remote Print Back					Included
Online Quarterly Reports					Included
Online W2 Access					Included
(Custom reports may incur a one-time implementation fee)					
Paylocity Bank Checks					Included
Additional Tax Filing (First State Included Above)		3.00	Per State / Local		
(Base fee includes federal and 1st state, all additional states or localities are additional fee as noted above)					
Online Check View		Included			Included
Child Support		1.50	per check		



Paylocity Quote for Service

Prepared Exclusively for:	City Of Reedley	9/7/2012
	1719 9th Street Reedley Ca	eQuote 2012.08.c
Quote Presented By:	Janet Ypma	559-421-5600

401(k) / 403(b) File Transfer Fee	10.00	\$10.00
-----------------------------------	-------	---------

GL Plus	10.00	\$10.00
---------	-------	---------

\$0.00

Total Per Payroll Fees

\$303.50

Delivery	15.00	Overnight (est. cost)	\$15.00
----------	-------	-----------------------	---------

Additional Delivery	N/A	None	0	\$0.00
---------------------	-----	------	---	--------

Total Per Payroll Fees Including Delivery

\$318.50

Monthly HR & Payroll Fees

	<u>Base</u>	<u>Per EE</u>	<u>Min</u>	<u>Max</u>	<u>QTY</u>	
Paylocity Self Service		Included	25.00		164	Included

Advanced HR Bundle	1.50			164	\$	246.00
--------------------	------	--	--	-----	----	--------

Inclu:Co Property, COBRA, FMLA, Notifications, Benefits Deductions, PTO Req., Skills/Events, OSHA, Employment History etc.

Total Monthly Payroll Fees

\$246.00

Monthly Time & Labor Fees

	<u>Base</u>	<u>Cost Per</u>	<u>Min</u>	<u>QTY</u>	
Paylocity Enterprise Time & Expense		\$ 2.63	\$ 50.00	164	\$430.50
(Includes: Timekeeping Self Service, Manager Self Service & Online Leave Management)					
Expense Module PEPM		\$1.00		164	\$164.00
Telephony ongoing		\$ 2.70		25	\$67.50
NT 380 Biometric Clock- Touch Screen		\$100.00		1	\$100.00

Total Monthly Time & Labor Fees

\$762.00

Payroll Quarterly Fees

Quarter Tax Report Delivery

Delivery over the internet, at no charge.

Total

\$0.00

Year-End/Annual Fees

Base

Per EE

QTY

Corporate Offices: 3850 N Wilke Rd. Arlington Heights, IL 60004
866-304-3800 FAX: 847-463-3210 www.paylocity.com



Paylocity Quote for Service

Prepared Exclusively for:	City Of Reedley	9/7/2012
	1719 9th Street Reedley Ca	eQuote 2012.08.c
Quote Presented By:	Janet Ypma	559-421-5600

Year-End W2/1099's	45.00	5.00	164	\$865.00
W2's Available on the Internet				No Charge

Total

\$865.00



Paylocity Quote for Service

Prepared Exclusively for:	City Of Reedley	9/7/2012
	1719 9th Street Reedley Ca	eQuote 2012.08.c
Quote Presented By:	Janet Ypma	559-421-5600

Investment Summary for: City Of Reedley

One Time Charges

Implementation, Payroll Solutions	\$401.05
Implementation, Human Resource Solutions	\$250.00
Implementation, Time & Labor Solutions	\$3,780.00
Implementation, Optional Services	\$1,050.00

Total One-Time Charges **\$5,481.05**

Recurring Charges (Annualized)

Payroll + HR- Each Processing (Excluding Delivery)	\$7,891.00
Monthly Time & Labor Fees	\$9,144.00
Monthly HR & Payroll Fees	\$2,952.00
Payroll Quarterly	\$0.00
Total Recurring Charges	\$19,987.00

Year-End Charges

Estimated Year-End Charges **\$865.00**

All Pricing is good for two years from the date of start with Paylocity and City of Reedley

THE PAYLOCITY SERVICES COVERED BY THIS AGREEMENT ARE PROVIDED
IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT.

Paylocity Associate	Date
---------------------	------

Client Authorization
Client Name (Print)
Company Name City Of Reedley
Company Address 1719 9th Street Reedley Ca
Company Phone



4325 W. Shaw Ave
Fresno, CA 93722
559.275.8500
888.275.4560
fax 559.275.1911

www.signalcommunication.com

PHONE SYSTEMS-VOIP-COMPUTER NETWORKS-VOICE/DATA CABLING-LIC #743890

City of Reedley
845 G Street
Reedley, CA 93654

Attn: Paul

RE: Timeclocks

Thanks for taking me around and prefielding the locations that we need to run some data cables for.

- The Water Yard (1076 S. I), and both locations at the Waste Water Treatment Plant (main building & lab) are good to go as is. No cabling needed.
- Transit Break Room needs a cable ran from the City Server room, through the PD Server room, through the SIU Room and to the break room. I'm also including an option to run an additional Cat 5 cable, in case of future needs/problems with existing.
- Public Works (1108 S. I), needs a cable fan from Chris's Office to break room wall.
- Public Works (1108 S. I) New Building: once a conduit is in place, we will install a Cat 5 cable from Chris's office to the proper location in the new building

I've broken up the quotes individually, as timing issues may spread the jobs out.

Transit Break Room:

Cabling Materials	250.00
Tax	19.93
Cabling Labor	<u>750.00</u>
Total	\$1,019.93

Option to Add 2nd Cable at same time \$300.00 additional

Public Works:

Cabling Materials	25.00
Tax	1.99
Cabling Labor	<u>150.00</u>
Total	\$176.99

Public Works, New building:

Cabling Materials	175.00
Tax	13.95
Cabling Labor	<u>250.00</u>
Total	\$438.95

Summary:

Transit Break Room	1,019.93
Optional Additional Cable	300.00
Public Works	176.99
Public Works, New building	<u>438.95</u>
Total	\$1,935.87

If you have any questions, or would like to schedule the work, please call me at 275-8500 ext 220.

Thank you,

Bryan Awbrey
8/23/12



Enterprise Time Data Collection



NT300P2 – Swipe /
Proximity



NT380P2 –
Biometric /
Proximity



GT400P –
Biometric /
Proximity



NT6500 Series – Biometric
/ Swipe / Proximity



Telephony



Enterprise
Time & Expense




REEDLEY CITY COUNCIL


- ☐ Consent
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

ITEM NO: 12

DATE: 11/13/2012

TITLE: RECEIVE, REVIEW, AND FILE THE 2011-12 DEVELOPER IMPACT FEE REPORT

SUBMITTED: Paul A. Melikian, Director of Finance & Administrative Services 

APPROVED: Nicole R. Zieba, City Manager 

RECOMMENDATION

That the City Council receive, review, and file the 2011-12 Developer Impact Fee Report as required by State law. The attached 2011-12 Impact Fee Report is in compliance with the State Law, Government Code Section 66006(a) and (b), therefore no action is required other than to receive, review, and file the report.

BACKGROUND

A Development Impact Fee is a monetary exaction other than a tax or special assessment that is charged by a local governmental agency to an applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project. (Gov't Code § 66000(b).) Agencies that collect and utilize Developer Impact Fees are required to provide information on each fund or account established for the collection of impact fees. Within 180 days after the last day of each fiscal year, this information must be made available to the public for the period covered by that fiscal year. The information must provide the following:

1. A brief description of the type of fee in the fund.
2. The amount of the fee.
3. The beginning and ending balances of the fund.
4. The amount of fees collected and the interest earned.
5. An identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the total percentage of the improvement that was funded with Impact fees.

6. An identification of an approximate date by which the construction of the public improvement will commence if the City determines that sufficient funds have been collected to complete financing on an incomplete public improvement.
7. A description of each inter-fund transfer or loan made from the fund, including the public improvement on which the transferred or loaned fees were expended; and in the case of an inter-fund loan, the date on which the loan will be repaid and the rate of interest that will be received on the loan.
8. The amount of refunds made per Government Code Section 66001(e).

Once the information is made available to the public, but not less than 15 days from the date it is made available, the City Council must review the information at its next regularly scheduled meeting. The 2011-12 Impact Fee Report provides information on the following infrastructure service types (funds):

- | | |
|------------------------------|-------------------------------------|
| • Streets & Thoroughfares | • Wastewater Treatment Facilities |
| • Traffic Control Facilities | • Wastewater Collection Facilities |
| • Law Enforcement Facilities | • Water Supply & Holding Facilities |
| • Fire Facilities | • Water Distribution Facilities |
| • General Facilities | • Park & Recreation Facilities |
| • Storm Drainage Facilities | • Open Space Facilities |

The attached report includes a summary for all funds and individual pages that provide detail of activity by infrastructure service type. Current Development Impact Fees are published in the Citywide Master Fee Schedule, and were last updated in January 2005 after the completion of a fee study. It should be noted that *Modified* Impact fees subsequently approved by Council April 12, 2005 (Resolution no. 2005-030) are still in effect. The modified fees reflect a 25% discount from regular Impact Fees, and only apply to *infill development* (residential), and *existing business expansion* (commercial, limited industrial, and heavy industrial). There is currently no sunset for the discounted fees.

FISCAL IMPACT

There is no fiscal impact as a result of filing this annual report.

PRIOR COUNCIL ACTIONS:

On March 27, 2012, the City Council received the 2010-11 Developer Impact Fee Report.

ATTACHMENTS

2011-12 Development Impact Fee Report

City of Reedley

Impact Fee Report



Fiscal Year 2011-12

Table of Contents

	<u>Page</u>
Impact Fee Summary.....	1
Streets & Thoroughfares.....	2
Traffic Control.....	3
Law Enforcement.....	4
Fire.....	5
Storm Drainage.....	6
Wastewater Treatment.....	7
Wastewater Collection.....	8
Water Supply & Holding.....	9
Park & Recreation.....	10
Open Space.....	11
General Facilities.....	12
Water Distribution.....	13

Development Impact Fee Summary FY 2011/2012

Infrastructure Service Type	Beginning Fund Balance	Total Revenue	Total Expenditures	Ending Fund Balance	2012-13 Estimated Revenue	2012-13 Adopted Budget	Projected Ending Resources Available 6/30/13
Streets & Thoroughfares	\$ 1,652,096	\$ 63,380	\$ 24,307	\$ 1,691,169	\$ 43,700	\$ 986,258	748,611
Traffic Control Facilities	508,665	22,744	9,824	521,585	11,500	11,517	521,568
Law Enforcement Facilities	1,591	14,714	-	16,305	5,960	1,000	21,265
Fire Facilities	311,215	81,998	4,006	389,207	33,953	8,176	414,984
Storm Drainage Facilities	504,074	39,908	12,775	531,207	23,800	191,512	363,495
Wastewater Treatment Facilities	1,593,292	103,647	1,465,896	231,043	44,500	12,339	263,204
Wastewater Collection Facilities	263,287	44,080	16,390	290,977	19,600	174,249	136,328
Water Supply/Holding Facilities	152,680	50,417	2,289	200,808	23,500	63,422	160,886
Parks & Recreation Facilities	(663,209)	41,985	5,815	(627,039)	14,200	149,787	(762,626)
Open Space Facilities	696,220	27,994	5,151	719,063	17,415	10,096	726,382
General Facilities	622,536	57,771	80,976	599,331	25,000	54,517	569,814
Water Distribution Facilities	93,857	40,394	1,144	133,107	17,600	58,406	92,301
Totals	\$ 5,736,304	\$ 589,032	\$ 1,628,573	\$ 4,696,763	\$ 280,728	\$ 1,721,279	\$ 3,256,212

Annual Development Impact Fee Report 2011/12

Streets & Thoroughfares Impact Fee (100)

Beginning Fund Balance	\$	1,652,096
Revenue		
Investment Earnings		21,704
Impact Fees Paid		41,676
Total Revenue		63,380
Expenditures		
Servicing Fees/Audit/Revenue/Accounting		21,542
Capital Expenditures		2,765
Total Expenditures		24,307
Ending Fund Balance 6/30/2012		1,691,169
2012/13 Estimated Revenue		43,700
	\$	1,734,869
2012/13 Appropriations		986,258
Projected Ending Resources Available	\$	748,611

Actual Expenditures		
Salaries / Benefits	\$	18,984
Streets GIS Software		2,087
Dinuba Avenue Street Widening		1,322
Prior Year Purchase Orders		1,443
Computer		471
Total	\$	24,307

2012/13 Appropriation		
Salaries / Benefits	\$	22,708
GIS Software		2,000
Developer Reimbursements		308,872
Master Fee Study		4,000
Dinuba Widening		648,678
Total	\$	986,258

Annual Development Impact Fee Report 2011/12

Traffic Control Facilities (101)

Beginning Fund Balance	\$	508,665
Revenue		
Investment Earnings		6,718
Impact Fees Paid		16,026
Total Revenue		22,744
Expenditures		
Servicing Fees/Audit/Revenue/Accounting		8,381
Capital Expenditures		1,443
Total Expenditures		9,824
Ending Fund Balance 6/30/2012		521,585
2012/13 Estimated Revenue		11,500
	\$	533,085
2012/13 Appropriations		11,517
Projected Ending Resources Available	\$	521,568

Actual Expenditures		
Salaries / Benefits	\$	6,142
GIS Software		2,087
Prior Year Purchase Orders		1,443
Computer		152
Total	\$	9,824

2012/13 Appropriation		
Salaries / Benefits	\$	8,517
GIS Software		2,000
Master Fee Study		1,000
Total	\$	11,517

Annual Development Impact Fee Report 2011/12

Law Enforcement Facilities (102)

Beginning Fund Balance	\$	1,591
Revenue		
Investment Earnings		169
Impact Fee		14,545
Total Revenue		14,714
Expenditures		
Servicing Fees/Audit/Revenue/Accounting		-
Capital Expenditures		-
Total Expenditures		-
Ending Fund Balance 6/30/2012		16,305
2012/13 Estimated Revenue		5,960
	\$	22,265
2012/13 Appropriations		1,000
Projected Ending Resources Available	\$	21,265

Actual Expenditures	
	\$ -
Total	\$ -

2012/13 Appropriation	
Master Fee Study	\$ 1,000
Total	\$ 1,000

Annual Development Impact Fee Report 2011/12

Fire Facilities (103)

Beginning Fund Balance	\$	311,215
Revenue		
Investment Earnings		3,006
Impact Fee		76,595
Loan Interest (Internal Loans)		2,397
Total Revenue		81,998
Expenditures		
Servicing Fees/Audit/Revenue/Accounting		4,006
Capital Expenditures		-
Total Expenditures		4,006
Ending Fund Balance 6/30/2012		389,207
2012/13 Estimated Revenue		33,953
	\$	423,160
2012/13 Appropriations		8,176
Projected Ending Resources Available	\$	414,984

Actual Expenditures		
Salaries / Benefits	\$	3,909
Computer	\$	97
Total	\$	4,006

2012/13 Appropriation		
Salaries / Benefits	\$	5,676
Master Fee Study		2,500
Total	\$	8,176

Loan to Public Safety Sales Tax Fund / Vehicle*		
Original Loan Amount	\$	152,071
Payment FY 09/10		(50,149)
Payment FY 10/11		(50,454)
Payment FY 11/12		(51,468)
Balance Due	\$	(0)

*Reso 2009-66 - Loan to PSST for Fire Department Medical Response Vehicle. Loan is to be paid back in three annual installments beginning June 30, 2010. Interest is to be compounded annually with quarterly interest rate to be apportioned at the same rate of the LAIF

Loan to Public Safety Sales Tax Fund/ SCBA**		
Original Loan Amount	\$	100,000
Payment FY 11/12		(49,822)
Payment FY 12/13		
Balance Due	\$	50,178

**Reso 2011-031 - Loan to PSST for SCBA. Loan is to be paid back in two annual installments beginning June 30, 2012. Interest is to be compounded annually with quarterly interest rate to be apportioned at the same rate of the LAIF.

Annual Development Impact Fee Report 2011/12

Storm Drainage Facilities (104)

Beginning Fund Balance	\$	504,074
Revenue		
Investment Earnings		6,775
Impact Fee		33,133
Total Revenue		39,908
Expenditures		
Servicing Fees/Audit/Revenue/Accounting		8,381
Capital Expenditures		4,394
Total Expenditures		12,775
Ending Fund Balance 6/30/2012		531,207
2012/13 Estimated Revenue		23,800
	\$	555,007
2012/13 Appropriations		191,512
Projected Ending Resources Available	\$	363,495

Actual Expenditures		
Salaries / Benefits	\$	6,142
GIS Software		2,087
Storm Drain Master Plan		2,951
Prior Year PO's		1,443
Computer		152
Total	\$	12,775

2012/13 Appropriation		
Salaries / Benefits	\$	8,517
GIS Software		2,000
Developer Reimbursement		146,413
Streets Master Fee Study		4,000
Storm Drain Master Plan		30,582
Total	\$	191,512

Annual Development Impact Fee Report 2011/12

Wastewater Treatment Facilities (105)

Beginning Fund Balance	\$	1,593,292
Revenue		
Investment Earnings		2,710
Impact Fee		100,937
Total Revenue		103,647
Expenditures		
Servicing Fees/Audit/Revenue/Accounting		4,453
Capital Expenditures		1,461,443
Total Expenditures		1,465,896
Ending Fund Balance 6/30/2012		231,043
2012/13 Estimated Revenue		44,500
	\$	275,543
2012/13 Appropriations		12,339
Projected Ending Resources Available	\$	263,204

Actual Expenditures		
Salaries / Benefits	\$	2,235
GIS Software		2,163
SRF Loan Payment		1,460,000
Prior Year PO's		1,443
Computer		55
Total	\$	1,465,896

2012/13 Appropriation		
Salaries / Benefits	\$	2,839
GIS Software		2,000
Streets Master Fee Study		7,500
Total	\$	12,339

Annual Development Impact Fee Report 2011/12

Wastewater Collection Facilities (106)

Beginning Fund Balance	\$	263,287
Revenue		
Investment Earnings		3,644
Impact Fee		40,436
Total Revenue		44,080
Expenditures		
Servicing Fees/Audit/Revenue/Accounting		3,434
Capital Expenditures		12,956
Total Expenditures		16,390
Ending Fund Balance 6/30/2012		290,977
2012/13 Estimated Revenue		19,600
	\$	310,577
2012/13 Appropriations		174,249
Projected Ending Resources Available	\$	136,328

Actual Expenditures		
Salaries / Benefits	\$	3,351
Collection Master Plan		12,956
Computer		83
Total	\$	16,390

2012/13 Appropriation		
Salaries / Benefits	\$	4,257
Collection Developer Reimbursements		136,410
Collection Master Plan		30,582
Master Fee Study		3,000
Total	\$	174,249

Annual Development Impact Fee Report 2011/12

Water Supply/Holding Facilities (107)

Beginning Fund Balance	\$	152,680
Revenue		
Investment Earnings		2,464
Impact Fee		47,953
Total Revenue		50,417
Expenditures		
Servicing Fees/Audit/Revenue/Accounting		2,289
Capital Expenditures		-
Total Expenditures		2,289
Ending Fund Balance 6/30/2012		200,808
2012/13 Estimated Revenue		23,500
	\$	224,308
2012/13 Appropriations		63,422
Projected Ending Resources Available	\$	160,886

Actual Expenditures		
Salaries / Benefits	\$	2,234
Computer		55
Total	\$	2,289

2012/13 Appropriation		
Salaries / Benefits	\$	2,839
Master Fee Study		4,000
Water Master Plan and Urban Water Mgmt Plan		56,583
Total	\$	63,422

Annual Development Impact Fee Report 2011/12

Parks & Recreation Facilities (108)

Beginning Fund Balance	\$	(663,209)
Revenue		
Investment Earnings		(4,533)
Impact Fee		46,518
Total Revenue		41,985
Expenditures		
Servicing Fees/Audit/Revenue/Accounting		-
Capital Expenditures		5,815
Total Expenditures		5,815
Ending Fund Balance 6/30/2012		(627,039)
2012/13 Estimated Revenue		14,200
	\$	(612,839)
2012/13 Appropriations		149,787
Projected Ending Resources Available	\$	(762,626)

Actual Expenditures		
Principal Payment to Open Space Fund 109	\$	94,525
Interest Payment to Open Space Fund 109		5,815
Accounting Entry For Principal Liability Change		(94,525)
TOTAL	\$	5,815

2012/13 Appropriation		
Developer Reimbursements	\$	33,787
Master Fee Study		11,000
Annual Payment to Open Space Fund 109		105,000
TOTAL		149,787

Loan from Open Space (109) FY 07/08*		
Original Loan Amount	\$	460,000
Payment FY 09/10		(78,025)
Payment FY 10/11		(92,662)
Payment FY 11/12		(94,525)
Balance Due	\$	194,788

*Reso 2009-17 - Loan is to be paid back in five annual payments beginning June 30, 2010 and ending June 30, 2015. Interest to be compounded annually based upon the State LAIF rate.

Annual Development Impact Fee Report 2011/12

Open Space Facilities (109)

Beginning Fund Balance \$ 696,220

Revenue

Investment Earnings	5,565
Impact Fee	16,614
Loan Interest (From Fund 108)	5,815
Total Revenue	27,994

Expenditures

Servicing Fees/Audit/Revenue/Accounting	5,151
Capital Expenditures	-
Total Expenditures	5,151

Ending Fund Balance 6/30/2012 719,063

2012/13 Estimated Revenue 17,415

\$ 736,478

2012/13 Appropriations 10,096

Projected Ending Resources Available \$ 726,382

Actual Expenditures		
Salaries / Benefits	\$	5,026
Computer		125
Total	\$	5,151

2012/13 Appropriation		
Salaries / Benefits	\$	7,096
Master Fee Study		3,000
Total	\$	10,096

Annual Development Impact Fee Report 2011/12

General Facilities (110)

Beginning Fund Balance	\$	622,536
Revenue		
Investment Earnings		7,930
Impact Fee		49,841
Total Revenue		57,771
Expenditures		
Servicing Fees/Audit/Revenue/Accounting		6,866
Capital Expenditures		74,110
Total Expenditures		80,976
Ending Fund Balance 6/30/2012		599,331
2012/13 Estimated Revenue		25,000
	\$	624,331
2012/13 Appropriations		54,517
Projected Ending Resources Available	\$	569,814

Actual Expenditures		
Salaries / Benefits	\$	6,700
Computer		166
CNG Fuel Station		11,225
City Hall Remodel		22,223
Fire Department Remodel		6,918
Prior Year Purchase Orders		33,744
Total	\$	80,976

2012/13 Appropriation		
Salaries / Benefits	\$	8,517
PW Bldg Relocation		40,000
City Hall Security Wall		2,500
Master Fee Study		3,500
Total	\$	54,517

Annual Development Impact Fee Report 2011/12

Water Distribution Facilities (111)

Beginning Fund Balance	\$	93,857
Revenue		
Investment Earnings		1,611
Impact Fee		38,783
Total Revenue		40,394
Expenditures		
Servicing Fees/Audit/Revenue/Accounting		1,144
Capital Expenditures		-
Total Expenditures		1,144
Ending Fund Balance 6/30/2012		133,107
2012/13 Estimated Revenue		17,600
	\$	150,707
2012/13 Appropriations		58,406
Projected Ending Resources Available	\$	92,301

Actual Expenditures		
Salaries / Benefits	\$	1,116
Computer		28
Total	\$	1,144

2012/13 Appropriation		
Salaries / Benefits	\$	1,418
Fee Master Study		30,000
Developer Reimbursements		26,988
Total	\$	58,406



REEDLEY CITY COUNCIL

- ☐ Consent
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

ITEM NO: 13

DATE: 11/13/2012

TITLE: RECEIVE, REVIEW, AND FILE THE QUARTERLY INVESTMENT REPORT FOR 1st QUARTER FISCAL YEAR 2012-13

SUBMITTED: Paul A. Melikian, Director of Finance & Administrative Services *PM*

APPROVED: Nicole R. Zieba, City Manager *NZ*

RECOMMENDATION

That the City Council receive, review, and file the Quarterly Investment Report for 1st Quarter Fiscal Year 2012-13, ending September 30, 2012, as required by the City's Investment Policy. No action is required other than to receive, review, and file the report.

BACKGROUND

On April 10, 2012, the City Council approved the annual statement of investment policy. The policy included a new self-imposed reporting requirement to implement a Government Finance Officers Association (GFOA) recommendation that an agency's investment policy explicitly require periodic reporting. The attached Pooled Cash Report for the end of 1st quarter fiscal year 2012-13 shows cash balances/market value and interest earnings for every cash account and investment vehicle as of September 30, 2012. It is important to note that the pooled cash report also includes unused bond proceeds and RDA Successor Agency funds.

Cash balances are pooled for investment and banking purposes, as it is not practical to have separate investment accounts for each City fund. Interest earnings are apportioned to each City fund based upon the percentage that a particular fund balance makes up of the total. For instance, if the City's General Fund balance was 10% of the total cash balances of the City, it would be credited with 10% of the investment interest earnings for the period. If a particular fund were to have a negative cash balance for the period, then that fund would actually pay interest to the other funds, since the other funds are in essence lending a portion of their balances to cover prior expenditures made from the negative fund.

The City continues to be challenged with historically low interest rates. The 2012-13 Adopted Budget assumed that low interest rates would continue. Year to date aggregate interest earnings total \$47,360, which is approximately 25% of the budgeted total for the year. So despite the low interest rate environment, YTD performance is on track with budgeted interest earnings. The majority of City funds are invested in money market, Local Agency Investment Fund and Time Certificates of Deposit. The CD maturities are appropriately ladder to ensure funds are available to meet operating cash requirements.

Over the coming year, Staff intends to take a more active approach to reviewing the portfolio and mix of investments to determine if a different strategy is appropriate. Any change in strategy will be strictly in accordance with State statute the City Investment Policy.

Report to the City Council
Quarterly Investment Report - 1st Quarter Fiscal Year 2012-13
November 13, 2012

FISCAL IMPACT

There is no fiscal impact as a result of filing this annual report.

PRIOR COUNCIL ACTIONS:

On April 10, 2012, the City Council approved the annual statement of investment policy.

ATTACHMENTS

1st Quarter Fiscal Year 2012-13 Investment Report
Annual Investment Policy as approved April 10, 2012

POOLED CASH REPORT

AS OF SEPTEMBER 2012

	CASH BALANCE	JULY-SEPT 2012 INTEREST EARNINGS
PETTY CASH / CASH REGISTERS	\$ 4,000.00	\$ -
LAIF - LOCAL AGENCY INVESTMENT FUND	2,295,193.24	-
BNY - REDEVELOPMENT AGENCY BONDS - TRUSTEE ACCOUNTS	755,131.59	-
US BANK - 2001 WWTP BONDS - TRUSTEE ACCOUNTS	183,609.03	-
US BANK - 2007 WWTP BONDS - TRUSTEE ACCOUNTS	250,097.27	-
US BANK - 2007 WATER BONDS - TRUSTEE ACCOUNTS	2,910,898.71	-
RABOBANK MONEY MARKET	5,671,019.66	7,253.05
RABOBANK CHECKING ACCOUNTS (OPERATING & PAYROLL)	802,266.83	46.07
MULTI BANK SECURITIES PORTFOLIO	10,434,636.61	40,060.88
MBS CERTIFICATES OF DEPOSIT		
COMMUNITY BK OAK 1.550% 10/16/12	\$ 247,118.56	
STERLING SVNGS 1% 02/25/13	250,575.00	
ALLY BK MIDVALE 1% 03/04/13	125,298.75	
FIRSTBANK PR SANTURCE 1.15% 3/4/13	250,760.00	
DORAL BK SAN JUAN 1.05% 3/21/13	50,113.50	
BEAL BK NEV 1.95% 03/27/13	248,953.77	
BANK OF CHINA NEW YORK 1.% 04/08/13	250,705.00	
COMMUNITY BANK PICKENS GA 1.85% 4/8/13	252,142.50	
CITY BK SALT LAKE 1.9% 4/22/13	151,398.00	
COMMUNITY FIRST BANK CHARLESTON 1% 6/3/13	61,250.71	
CITIZENS BK FLINT MICH 1.5% 06/18/13	148,321.53	
WILMINGTON TR 1.8% 7/22/13	126,390.00	
HERITAGE BK HINESVILLE GA 1.4\$ 7/26/13	251,770.00	
AUSTIN BK CHICAGO 1.050% 10/15/13	201,240.00	
TIMBERWOOD BK 2.45% 10/30/13	19,404.70	
WILMINGTON TR 1.95% 10/30/13	127,191.25	
AMERICAN EXPRESS BK 3.5% 02/19/14	101,684.80	
NATIONAL REP BANK 3.0% 02/24/14	26,804.44	
UBS BK USA SALT LAKE 1.4% 2/24/14	252,447.50	
PATRIOT BANK HOUSTIN 2.1% 2/25/14	173,981.40	
CORNERSTONE COMMUNITY BANK 2.15% 03/05/14	71,714.30	
AURORA BK WILMINGTON DEL 1.4% 3/10/14	252,425.00	
DISCOVER BK GREENWOOD 1.3% 3/17/14	151,111.50	
STATE BANK INDIA NY NY 1.5% 3/24/14	50,501.00	
MEDALLION BK SALT LAKE 1.25% 3/25/14	252,482.50	
GE CAPITAL SALT LAKE 1.3% 3/31/14	252,397.50	
SYNOVUS BK COLUMBUS GA 1.3% 04/07/14	251,815.00	
SALLIE MAE BK 3.5% 04/17/14	104,072.00	
DISCOVER BK 3.5% 04/29/14	70,798.20	
INVESTORS SVGS BK SHORTS 1.3% 05/05/14	252,410.00	
WASHINGTON TR CO WESTERLY 1.25% 05/12/14	154,461.15	
AMERICAN EXPRESS CENTURION 1.45% 05/19/14	252,315.00	
CIT BK SALT LAKE 3.65% 05/28/14	104,480.00	
SUNTRUST BK ATLANTA 4.0% 05/28/14	95,512.02	
CITIZENS UN BK 3.1% 07/28/14	104,040.00	
BARCLAYS BK 3.15% 08/19/14	104,029.00	
SUMMIT CMNTY BK 3.2% 08/19/14	103,952.00	
PARAGON COML BK 2.6% 09/02/14	62,188.80	
BMW BK NORTH AMER 3.2% 11/06/14	102,098.36	
MAGYAR BK NEW BRUNSWICK 3.0% 12/30/14	26,050.50	
COLE TAYLOR BK 3.050% 01/13/15	88,507.95	
STATE BK INDIA CHICAGO 3% 04/21/15	104,218.00	
DORAL BK CATANO 3% 04-23-15	104,364.00	
COMMUNITY ONE BNK ASHBORO 2.65% 07-20-15	103,814.00	

POOLED CASH REPORT

AS OF SEPTEMBER 2012

	CASH BALANCE	JULY-SEPT 2012 INTEREST EARNINGS
ALLY BK MIDVALE 2.4% 08/06/15	108,541.65	
BMW BK NORTH AMER SALT LAKE 2% 09/17/15	102,538.00	
STATE BK INDIA CHICAGO 2.25% 09/29/15	102,624.00	
BMW BK NORTH AMER SAL LATE 2% 11/12/15	51,315.50	
GE MONEY BK DRAPER UTAH 2% 11/12/15	61,282.20	
ISRAEL DISK BK NY 2.3% 02/16/16	107,872.80	
TOYOTA FINL SAVINGS NV 2.35% 02/23/16	89,786.40	
FLUSHING BK NY 2.35% 3/9/16	102,896.00	
GE MONEY BK DRAPER UTAL 3.050% 05/09/16	105,694.00	
GE MONEY BK DRAPER UTAH 2.6% 08/15/16	52,317.50	
GOLDMAN SACHS 2.0% 09/28/11	255,497.50	
SAFRA BK 1.5% 05/31/17	250,585.00	
COMMERCIAL BK HARROGATE 2% 08/14/17	103,908.00	
WORLD FINL CAP 1.75% 04/12/18	250,827.50	
PACIFIC FINL BK 2.5% 06/14/18	100,065.00	
STATE BK & TR CO MACON 1.3% 7/2/18	249,565.00	
GE MONEY BANK DRAPER 2.25% 08/27/18	41,637.20	
SUMMIT CMNTY BK MOOREFIELD 2.2% 11/14/18	150,361.50	
DENVER BK 2% 01/11/12	250,547.50	
DOLLAR BK 1.75% 02/15/19	202,316.00	
HORIZON BK 1.75% 02/28/19	125,922.50	
FIRST MERCHANTS BK 1.85% 03-29-19	167,861.40	
COMMERCIAL BK HARROGATE 1.5% 05/28/19	150,427.50	
FIRST AMERICAN ELK GROVE 1.7% 07/29/19	249,857.50	
LUANA 1.8% 04/03/20	101,933.00	
BOFI FED 2.35% 08/08/22	114,811.40	
1ST FINL BK 2.35% 8/17/22	207,979.80	
MBS MONEY MARKET	38,356.07	

ACTUAL TOTAL CASH ~ ALL FUNDS ~ SEPTEMBER 2012	\$	23,306,852.94	\$	47,360.00
--	----	---------------	----	-----------

2012-13 ALL FUNDS COMBINED BUDGETED INTEREST EARNINGS	\$	191,007.00
PERCENTAGE OF ACTUAL YTD INTEREST EARNINGS TO BUDGET		24.79%

COMPLIANCE STATEMENT

As of September 30, 2012, the actual investment portfolio was in compliance with all requirements of the City's Investment Policy. This report reflects all pooled cash and investments of the City, Housing Authority and RDA Successor Agency. There are sufficient funds to meet the City's expenditure requirements for the next 90 days.



REPORT TO CITY COUNCIL **MEMORANDUM**

AGENDA ITEM NO: 4

COUNCIL MEETING DATE: 4/10/12

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REEDLEY ADOPTING
THE ANNUAL CITY OF REEDLEY STATEMENT OF INVESTMENT POLICY

RECOMMENDATION:

Adopt Resolution No 2012-028 approving the annual submittal of the City's Investment Policy.

BACKGROUND:

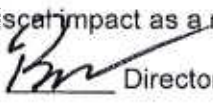
In February, 1995, Governor Wilson formed a Task Force that focused on Local and State Investment Practices. A recommendation of that report called for an amendment to state law which now requires the annual submittal of the statement of investment policy to the legislative board. The City's present Investment Policy, Attachment "A", was last reviewed in 2011. An investment policy should identify the parameters of the investment function with the primary objectives being safety, liquidity and yield, in that order. These features are satisfied by the City's present policy, however the current policy did not include a section on reporting.

The Government Finance Officers Association (GFOA) recommends that an agency's investment policy explicitly require periodic reporting. Therefore, consistent with GFOA best practices, the City Treasurer/Finance Officer (Administrative Services/Finance Director) will now prepare quarterly summary investment reports within 45 days after the close of each quarter, with an Annual Investment Report prepared and filed within 60 days of year end. Quarterly and annual reports will be presented to City Council as a receive, review and file item. In addition, the City Administrative Services Director position will now be identified in the attached resolution as authorized to invest funds and otherwise do all things necessary to implement the Statement of Investment Policy.

The City's idle funds are in principal safe investments that protect its pooled cash, such as Rabobank's money market account, rolling Certificates of Deposit through Multi-Bank Securities in various FDIC insured accounts, and the State of California's Local Agency Investment Fund. Government Code Section 16429.3 states that money placed in the Local Agency Investment Fund by cities, counties or special districts shall not be subject to impoundment or seizure by any state official or state agency. All L.A.I.F. investments are safe, liquid and secure. Furthermore, all financial investment instruments are constantly monitored and assessed for safety, liquidity and yield.

FISCAL IMPACT:

There is no fiscal impact as a result of approving the annual Statement of Investment Policy.

Prepared by:  Director of Administrative Services

Approved by:  City Manager

Attachments: Resolution 2012-02
Exhibit "A"

Motion: _____
Second: _____

RESOLUTION NO 2012-028

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
REEDLEY ADOPTING THE ANNUAL CITY OF REEDLEY
STATEMENT OF INVESTMENT POLICY**

WHEREAS, the authority governing investments for California local agencies is set forth in the California Government Code, Sections 53601 et. seq.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Reedley as follows:

1. Pursuant to Government Code Sections 53601 et. seq., the City of Reedley City Council hereby authorizes and directs the City Treasurer/Finance Officer (Administrative Services/Finance Director) to invest funds not required for the immediate necessities of the City in accordance with the attached Statement of Investment Policy which is hereby adopted and incorporated by reference as Exhibit "A".


2. The City Treasurer/Finance Officer (Administrative Services/Finance Director) is hereby directed and authorized to do all things necessary to implement said Statement of Investment Policy.

This foregoing resolution was duly passed, approved and adopted by the City Council of the City of Reedley this 10th day of April, 2012, by the following vote:

AYES: Soleno, Chavez, Beck, Betancourt, Fast
NOES: None.
ABSTAIN: None.
ABSENT: None.

ATTEST:


Sylvia Plata, City Clerk


Mary Fast, Mayor



**CITY OF REEDLEY
STATEMENT OF INVESTMENT POLICY**

PURPOSE

This Statement is intended to provide guidelines for the prudent investment of the City's temporary idle cash, and outline the policies for maximizing the efficiency of the City's cash management system. The ultimate goal is to enhance the economic status of the City while protecting its pooled cash.

OBJECTIVE

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible. The City attempts to obtain the highest yield obtainable as long as the investments meet the criteria established for safety and liquidity.

POLICY

The City of Reedley operates its temporary pooled idle cash investments under the prudent investor rule as generally described in California Probate Code section 16045, et. seq. The prudent man rule states, in essence, that "in investing ... property for the benefit of another, a trustee shall exercise the judgment and care, under the circumstances then prevailing, which men of prudence, discretion and intelligence exercise in the management of their own affairs ...". This affords the City a broad spectrum of investment opportunities as long as the investment is deemed prudent and is allowable under current legislation of the State of California. Government Code (Section 53601) restricts the City from purchasing investment securities with a maturity length greater than five years unless prior legislative approval is given.

Investments may be made in the following media and as specifically outlined under Government Code Section 53601:

- U.S. Treasury issues
- Federal Agency issues
- Bonds, Notes
- Commercial Paper
- Bankers Acceptances
- Certificates of Deposits
- Repurchase Agreements and Reverse Repurchase Agreements
- Local Agency Invest Fund Demand Deposits (State Pool)
- Passbook Savings Account Demand Deposits
- Central San Joaquin Valley Risk Management Pooled Investment Fund

Criteria for selecting investments and the order of priority are:

1. Safety. The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. The City only operates in those investments that are considered very safe.

Exhibit "A"

2. Liquidity. This refers to the ability to "cash in" at any moment in time with a minimal chance of losing some portion of principal or interest. Liquidity is an important investment quality especially when the need for unexpected funds occurs occasionally.
3. Yield. Yield is the potential dollar earnings an investment can provide, and sometimes is described as the rate of return.

Safekeeping. Securities purchased from brokers/dealers shall be held in third party safekeeping by the trust department of the local agency's bank or other designated third party trust, in local agency's name and control, whenever possible.

Investment Objective. The cash management system of the City of Reedley is designed to accurately monitor and forecast expenditures and revenues, thus insuring the investment of monies to the fullest extent possible. Attempts to obtain highest interest yields possible as long as investments meet the criteria required for safety and liquidity.

City Constraints. The City of Reedley operates its pooled idle cash investments under the prudent investor rule as generally described in California Probate Code section 16045, et. seq.. This affords a broad spectrum of investment opportunities so long as the investment is deemed prudent and is permissible under currently effective legislation of the State of California and other imposed legal restrictions.

The City strives to maintain the level of investment of all idle funds as near 100% as possible, through daily and projected cash flow determinations. Idle cash management and investment transactions are the responsibility of the City Treasurer and Finance Officer.

The basic premise underlying the City's investment philosophy is, and will continue to be, to insure that money is always safe and available when needed.

Reporting. Consistent with industry best practices, the City Treasurer/Finance Officer (Administrative Services/Finance Director) will prepare quarterly summary investment reports within 45 days after the close of each quarter, with an Annual Investment Report prepared and filed within 60 days of year end. Quarterly and annual reports will be presented to City Council as a receive, review and file item.